



**OFFICE OF AUDITOR OF STATE
STATE OF IOWA**

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NEWS RELEASE

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FOR RELEASE April 21, 2004

Auditor of State David A. Vaudt today released a reaudit report for the period July 1, 2001 through June 30, 2002 on Montgomery County. The reaudit also covered certain items applicable to other prior periods and to the year ended June 30, 2003, as noted in the reaudit report. The reaudit was performed at the request of citizens of the County.

Recommendations were made to the County pertaining to internal control and statutory noncompliance in several areas, including minutes record and publications, certified budget, conflicts of interest and incompatible positions as well as several other matters. The County's responses to the recommendations are contained in the reaudit report.

A copy of the reaudit report is available for review in the Office of Auditor of State and in the County Auditor's office.

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MONTGOMERY COUNTY
AUDITOR OF STATE'S REPORT ON REAUDIT
FOR THE PERIOD
JULY 1, 2001 THROUGH JUNE 30, 2002

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Montgomery County

Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Clyde Jones	Board of Supervisors	January, 2003
Steven Ratcliff	Board of Supervisors	January, 2003
Glen Benskin	Board of Supervisors	January, 2003
Connie Magneson	County Auditor	January, 2005
Anita Walker	County Treasurer	January, 2003
JoAnne Butler	County Recorder	January, 2003
Anthony Updegrove	County Sheriff	January, 2005
Bruce Swanson	County Attorney	January, 2003
Peggy Smith	County Assessor	(Resigned July, 2002)
Stacy Vondielingen (Appointed November, 2002)	County Assessor	January, 2004

Montgomery County



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Independent Auditor's Report on Reaudit

To the Montgomery County Board of Supervisors:

We received a request to perform a reaudit of Montgomery County under Chapter 11.6(4) of the Code of Iowa. As a result, we reviewed the audit report and workpapers of the County's independent auditing firm for the year ended June 30, 2002. Based on that review and other information provided to and obtained by us, we determined that a partial reaudit was necessary in order to further investigate specific issues identified in the request for reaudit or through our preliminary review. Accordingly, we have applied certain tests and procedures to selected accounting records and related information of Montgomery County for the period July 1, 2001 through June 30, 2002. We also inquired and performed procedures for certain items and issues applicable to prior periods and to the year ended June 30, 2003, as noted. The procedures we performed are summarized as follows:

1. We reviewed the minutes record and tested selected minutes publications for the year ended June 30, 2003 for compliance with Chapter 349.18 of the Code of Iowa and Attorney General's opinions dated December 10, 1985, December 31, 1986 and May 2, 1989.
2. We performed procedures to review and test the budget and certain valuation reports for the year ended June 30, 2003 for statutory compliance and reviewed the status of the citizen appeal of the fiscal 2004 budget.
3. We performed procedures for the years ended June 30, 2002 and 2003 to review County policies and procedures and inquired about potential conflicts of interest and incompatible positions between the County and County officials and/or employees.
4. We inquired whether the County had a policy regarding nepotism and whether there were relatives of County officials working for the County. We reviewed selected payments to relatives of County officials and approval for hiring for compliance with Chapter 71 of the Code of Iowa.
5. We reviewed the County's local option sales tax referendum and the County's records for compliance with the referendum. We reviewed local option sales tax collections for the year ended June 30, 2003 for proper recording and allocation in accordance with the referendum.
6. We performed procedures for the year ended June 30, 2003 to review and test the County's transfers between funds for Board authorization and compliance with statutory requirements.
7. We performed procedures for the years ended June 30, 2001, 2002 and 2003 to review and test reports and fund balances for deficits to determine compliance with Chapter 331.476 of the Code of Iowa.

8. We performed tests for the years ended June 30, 2002 and 2003 to review and determine compliance with statutory requirements pertaining to the salaries of County officials. We also reviewed selected personnel files and tested Form I-9 "Employment Eligibility Verification" for required documentation.
9. We performed procedures for the years ended June 30, 2002 and 2003 to review and test selected travel expense reimbursement claims and vehicle usage for compliance with statutory requirements, including the County's policy.
10. We performed procedures for the year ended June 30, 2003 to review the County's policy for use of County equipment.
11. We performed procedures for the year ended June 30, 2003 to review and test selected expenditures for unusual and/or unallowable items, including travel expense, lease-purchase agreements and budget reimbursement items.
12. We reviewed the County's compliance with Chapter 331.430 of the Code of Iowa pertaining to the debt service fund.
13. We obtained and reviewed documentation pertaining to an overpayment and reapportionment of tax increment financing revenues which occurred during the year ended June 30, 1998.
14. We inquired about the County's self-funded insurance program and compliance with Chapter 509A of the Code of Iowa.
15. We reviewed the County's policies and procedures applicable to automated warrants and voided warrants during the year ended June 30, 2003.

Based on the performance of the procedures described above, we have various recommendations for the County. The instances of non-compliance noted and our recommendations are described in the Detailed Findings of this report. The County's responses and our conclusions to the County's responses are also included in the Detailed Findings of this report. Exhibits 1-8 were provided by the County and are referenced in the County's responses. Exhibit 9 contains the County Auditor's responses and Exhibit 10 contains the attachments provided by the County Auditor. Unless reported in the Detailed Findings, no other items of non-compliance were noted during the performance of the specific procedures listed above.

The procedures described above are substantially less in scope than an audit of financial statements made in accordance with U.S. generally accepted auditing standards, the objective of which is the expression of an opinion on financial statements. Accordingly, we do not express an opinion. Had we performed additional procedures or had we performed an audit of Montgomery County, additional matters might have come to our attention that would have been reported to you. A copy of this reaudit report has been filed with the Montgomery County Attorney, the Iowa Department of Justice, and the Office of the Citizens Aide/Ombudsman.

We would like to acknowledge the assistance extended to us by personnel of Montgomery County. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

August 21, 2003

Detailed Findings

Montgomery County

Detailed Findings

July 1, 2001 through June 30, 2002

(A) Minutes Record and Publications -

1. Timely Publications - Chapter 349.18 of the Code of Iowa states in part:

“All proceedings of each regular, adjourned, or special meeting of a board of supervisors, including the schedule of bills allowed, shall be published immediately after the adjournment of the meeting... the county auditor shall furnish a copy of the proceedings to be published, within one week following the adjournment of the board.”

A review of meeting dates and related minutes publications identified that publication of the minutes of the meetings ranged from 12 to 40 days after the date of the meeting.

Recommendation - The County should submit minutes for each meeting of the Board for timely publication as required by Chapter 349.18 of the Code of Iowa.

County Response - The County Auditor, as clerk to the Board, records minutes. The procedure to send those minutes to the official publications has recently been reduced and is usually done within seven days after the meeting adjourned in an attempt to comply with Chapter 349.18. Minutes are, usually, provided to the Board of Supervisors for approval at the next regular meeting (Thursday to Thursday). Publication costs are excessive with lengthy minutes.

Conclusion - Response acknowledged. The revised procedures described should resolve this issue. The County Auditor should continue to monitor procedures to insure the County's compliance with this requirement and inform the Board if and when extenuating circumstances preclude compliance. The Board of Supervisors should continue to monitor compliance with this requirement.

2. Official Signatures - The minutes record included a space for the Board Chairperson and County Auditor to sign. However, the minutes were not signed.

Recommendation - Although not required by statute, the minutes record should be signed to authenticate the record. This appears to be the County's intention since a space is provided for signature.

County Response - The County has been remiss in having the minute book duly signed, even to the point of being months behind. Although not statutory, as stated in the recommendation, timely signing is vital to insure any corrections are completed. The Chairperson and Auditor will strive to keep this minute book signed and current.

Conclusion - Response acknowledged. The County Auditor and Chairperson should sign the minutes record to authenticate the record and actions taken.

3. Posting Agendas – Prior to February 2003, the Board agenda was posted by 10:00 AM on Wednesday before the 9:00 AM meeting on Thursday. Chapter 21.4 of the Code of Iowa requires the agenda to be posted no less than 24 hours before the meeting.

Recommendation – Agendas should be posted as required by Chapter 21.4 of the Code of Iowa.

County Response – In February 2003, it was brought to the Board's attention that the Board agenda was posted in less than the required twenty-four hour minimum. On February 24, 2003, Auditor Connie Magnuson advised the Board in writing that she was resigning (see attached Exhibit 1) and would no longer do their agenda. The Board struggled with one Supervisor writing the agenda by longhand, and with other people filling the void.

Since April 2003, the County Recorder has prepared and posted the Board agenda. It has never failed the twenty-four hour requirement, and is generally posted about forty hours prior.

Conclusion – Response acknowledged. As required by the Code of Iowa, as Clerk to the Board, the County Auditor should continue to monitor procedures to insure the County's compliance with this requirement and inform the Board if and when extenuating circumstances preclude compliance. The Board of Supervisors should continue to monitor compliance with this requirement.

4. Documenting Vote of Each Member Present – The minutes did not always document the results of each vote taken and information sufficient to indicate the vote of each member present as required by Chapter 21.3 of the Code of Iowa. In some cases the minutes reflected the vote of each member and in some cases the minutes reflected the vote of some, but not all, members present. In some cases the vote of only two members was documented, yet the minutes indicated "motion carried". In circumstances where the vote was not clearly documented and insufficient votes were recorded for decisive action, it is unclear whether the actions taken are valid and legal.

Recommendation – The minutes should include documentation of the results of each vote taken and information sufficient to indicate the vote of each member present as required by Chapter 21.3 of the Code of Iowa.

County Response – The Board was comprised of three members until January 2003, when the voters favored a five person Board. Prior to mid-year 2003, then Chairman, Glen Benskin, was convinced the Chair could not vote (or, for that matter, make or second motions or even enter into discussions). Consequently, the voting record may, indeed, indicate the vote of two members (of three) with "motion carried", since Benskin did not normally vote.

The appeal of the 2004 budget brought attention to this practice, and effective in mid-year 2003, and through the end of that year, roll-call votes were requested by then Chairman Benskin and recorded on all Board actions. Chairman Carmichael, who assumed the Chair in January 2004, occasionally accepts a voice vote.

In January 2004, a "secret written ballot" was conducted by the Board at the direction of the County Auditor; it was later determined this was a violation of Chapter 21, and the vote was recast at the next subsequent meeting on January 8 with a roll-call vote of each Supervisor.

Conclusion – Response acknowledged. The finding regarding number of votes required also pertains to the five-member Board. Specifically, at the meeting on February 24, 2003, three Board members were present with only two voting on a motion to approve the agenda. We did not search for additional instances of noncompliance.

5. Valid Meetings – On February 24, 2003, the minutes indicated the meeting was called to order at 9:00 AM by Chairman Benskin, with Supervisors Carmichael, Carlson and Stoldorf documented as present. The agenda was discussed and approved after a roll call vote with Supervisors Carmichael and Carlson voting “aye”. The minutes indicated “motion carried” even though only two members apparently voted. Following discussion about a meeting later that same day, the minutes indicated that Supervisor Stoldorf telephoned the Board at approximately 9:05 AM to advise the Board to immediately adjourn due to a possible open meetings violation. Since the minutes indicated that Supervisor Stoldorf was not at the meeting until 9:05 AM by means of telephone, the minutes should not have identified her as “present” at 9:00 AM. The meeting was not adjourned, but was continued at two different times during the day without always indicating members present or the vote of members on actions taken. We are unable to determine the propriety of these meetings and the validity of the actions taken during these meetings.

Recommendation – The County should consult legal counsel to determine the propriety and legality of the Board meeting on February 24, 2003 and the actions taken.

County Response - The Board met on Friday, February 21, 2003 at 6:00 p.m. The meeting was relatively short because Supervisor Vannausdle had suffered a stroke earlier that day, and because Auditor Magnuson was not present to answer remaining questions on the budget. The Board decided to meet the following Monday; Chairman Benskin announced he would not attend because of a doctor's appointment for his wife.

On February 24, 2003, the Board met at 9:00 a.m., at 1:00 p.m. and at 2:00 p.m. The agenda for the 9:00 a.m. indicated that meeting would recess for lunch and resume at 1:00 p.m. The agenda for the 2:00 p.m. meeting superseded the earlier meeting(s) and noted that the 9:00 a.m. meeting will not take place. This agenda was prepared by Stoldorf, at the request of vice-chairman Carmichael on Saturday (2/22/03), and approved separately by Carmichael and Benskin (Chair). Carmichael agreed to notify Supervisor Carlson. The meeting time was changed from 9:00 a.m. to 2:00 p.m. to allow Chairman Benskin to return from his wife's appointment in Omaha and to accommodate the mid-morning funeral of the local Chamber of Commerce director.

At that time agendas were customarily posted in the courthouse and delivered (fax) to the media; the agenda for the 2:00 p.m. meeting was posted consistent with established procedure and delivered to the media on 2/22/03. (See attached Exhibits 1 and 2).

The minute's documentation indicated that four supervisors (Benskin, Carmichael, Carlson, and Stoldorf) were present. The minutes also indicated the vote on the budget was 3/1 when, in fact, it was 2/1/1 because Chairman Benskin did not vote. The breakdown of that vote was: Carlson and Carmichael, “yes”; Stoldorf, “no”; Benskin did not vote (as Chair – see 4 above).

Regarding the propriety and legality of the meetings that occurred at 9:00 a.m. and at 1:00 p.m., those meetings are included in an action initiated by the media against three named supervisors and the Board (as a whole). This action is addressed in a consent decree entered into by Chairman Benskin and the Board (see Exhibit 3).

Supervisors Carmichael and Carlson have hired independent counsel to contest the action, and their case is pending.

More specifically, the 9:00 a.m. meeting was called to order with Benskin (Chair), Carmichael, and Carlson present. Soon after 9:00 a.m., Stoldorf phoned the meeting and advised the Board to adjourn, through advice of counsel (Marci Prier, Mills County Attorney, due to the absence of Montgomery County Attorney; and David Vestal, ISAC) because that meeting was an open meetings violation. This speakerphone/live conversation continued for some time while the 3 Supervisors present deliberated whether or not to adjourn, and whether or not to meet at 1:00 p.m. or at 2:00 p.m. Stoldorf advised the 3 Supervisors that the agenda for the 9:00 a.m. meeting was invalidated by the agenda for the 2:00 p.m. meeting. She advised the Board that, consequently, the item on that agenda indicating the meeting (9:00 a.m.) would recess for lunch and reconvene at 1:00 p.m. is unfounded.

The Board was determined to meet at 1:00 p.m., which they did with Supervisors Benskin, Carlson, Carmichael, and Stoldorf present. Immediately upon the meeting being called to order, Stoldorf moved to adjourn citing lack of appropriate notice; the Board approved no action. That meeting continued and was adjourned with another meeting called to order at 2:00 p.m. The agenda (2:00 p.m. meeting) included various action items: approve budgets by department (with each department named): approve the budget, the publication, the public hearing date, etc. The item listing budget approval for each department was ignored; the vote taken to approve the budget resulted in a 2/1/1 vote with Carlson and Carmichael voting in favor, Stoldorf against, and Benskin (Chair) did not vote.

A quorum was present at each of the three "meetings" with Carlson, Carmichael, and Benskin present at 9:00 a.m.; at the 1:00 p.m. session, four Supervisors were present, as well as at the 2:00 p.m. meeting.

The minutes clearly indicated the budget passed with a 3/1 (three yes; one no) vote. The budget was appealed by petition; the state appeal panel, cited the fact that the budget was not certified timely (by March 15) because of insufficient votes, returned the County to last year's tax levies (fiscal 2002/2003). Therefore, it would appear that actions by the Board (insufficient votes) on the budget were corrected.

Regarding the 9:00 a.m. meeting, had it occurred with Benskin and Vannausdle absent, an insufficient number of votes would have been rendered. Regarding the agenda for that meeting (9:00 a.m.), it would have been posted in the courthouse and faxed to the media, just as was done with the agenda for the 2:00 p.m. meeting.

An Open Meetings Action has been filed against three named Supervisors (Carlson, Carmichael, and Benskin), and the Board of Supervisors. Please refer to consent decree (see attached Exhibit 3), as pertains to the Board of Supervisors and Supervisor Glen Benskin (named) as filed with the Courts on February 17, 2004.

Conclusion – Response acknowledged. The Board of Supervisors and County Auditor are collectively and individually responsible for compliance with Chapter 21 of the Code of Iowa pertaining to open meetings requirements. Cooperation is essential in this effort.

6. County Auditor's Duties – Chapter 331.504 of the Code of Iowa provides the County Auditor's duties as Clerk to the Board. This section states in part: "The auditor shall: Record the proceedings of the board. The minutes of the board shall include a record of all actions taken and the complete text of the motions, resolutions, amendments and ordinances adopted by the board. Upon the request of a supervisor

present at a meeting, the minutes shall include a record of the vote of each supervisor on any question before the board.”

- The minutes did not always appear to reflect an objective reporting of the Board meeting discussion. Several instances were noted where the County Auditor included personal and nonobjective editorial comments.
- Several pages of the minutes record included pages that had minute pages taped over the original page. It was unclear whether the Board had formally amended the minutes or what changes, if any, the County Auditor had made to the official minutes record.

Recommendation – Although not addressed specifically by statute, discussion included in the Board minutes should be reported in an objective manner. The County Auditor should refrain from editorial comments to provide an accurate and objective account of the Board meetings. The Board should require corrections to the minutes record when errors are noted and the County Auditor, as clerk to the Board, should ensure that corrections are reflected as directed by the Board of Supervisors and as required by Chapter 331.504 of the Code of Iowa.

The County should reconsider its practice of taping new pages over the original minutes record to ensure that the record clearly reflects whether the minutes were formally amended or changes, if any, were made to the official minutes record.

County Response - The findings of the Auditor of State are that the County Auditor is clerk to the Board as provided by Iowa Code 331.504, and that Board minutes may not provide to the reader an understanding or portray an actual picture of activities at the Board’s meeting. Non-essential commentary, remarks by the public, and discussion taken out of context are not appropriate content for the legal record of the Board’s meeting.

The findings are noted. It is essential that minutes be accurate and prepared in a most objective and non-editorial manner, going forward.

Regarding “taped over” pages in the minute book, it would be desirable for any changes or amendments to be included in the text, with appropriate signatures.

Conclusion – Response acknowledged. We concur with the remarks included in the County’s Response: “It is essential that minutes be accurate and prepared in a most objective and non-editorial manner, going forward.” The County Auditor should provide the citizens of Montgomery County and other readers of the minutes record with an unbiased presentation of the proceedings of the Board.

The Board of Supervisors should require corrections to the minutes record when errors, including editorial remarks, are noted. The County Auditor, as clerk to the Board should ensure that corrections are reflected as directed by the Board of Supervisors and as required by Chapter 331.504 of the Code of Iowa.

7. Open Meetings – Chapter 20.17 provides certain exemptions from Chapter 21 of the Code of Iowa, commonly known as the open meetings law. However, Chapter 20.17 specifically requires the first and second bargaining sessions to be open to the public and subject to the provisions of Chapter 21. The minutes did not include documentation to demonstrate compliance with Chapter 20.17 of the Code of Iowa for collective bargaining sessions.

Recommendation – The County should ensure the minutes record includes documentation to demonstrate compliance with Chapter 20.17 of the Code of Iowa for collective bargaining sessions.

County Response - Chapter 20.17 was met in actuality with proper public notice (newspaper publication) with the meetings held in the basement of the Courthouse. The first public meeting was scheduled (12/1/02) to receive the Union's proposal; the second public meeting was scheduled (1/8/03) for the County to deliver their proposal to the Union. The Board of Supervisors scheduled a strategy session on January 6, 2003, which was a closed meeting in accordance with Chapter 20.

Conclusion - Response acknowledged. The minutes record should include documentation to demonstrate that the collective bargaining sessions were held in open session and in compliance with Chapter 20.17 and Chapter 21 of the Code of Iowa.

County's Summary to items 1-7:

To summarize, the above seven items (timely publications; official signatures; posting agendas; documenting vote of each member present; valid meetings; county auditor's duties; open meetings) deal primarily with duties and practices of the County Auditor. Regarding the question on validity of the February 24, 2003 meeting(s), the issue of an Open Meetings violation is partially answered through a consent decree the balance is pending in court; on the issue of lack of a quorum, that is an issue of Board minutes not reflecting an accurate count or with two members of a three person board voting; and regarding the insufficient votes for passage of the budget, the State Appeal Panel addressed that by returning the County to last year's tax levies.

- (B) Certified Budget - Chapter 331.433(1) of the Code of Iowa requires each elective or appointive officer or board to prepare and submit their budgets to the County Auditor on or before January 15 each year. The County Supervisors and County Engineer did not submit their fiscal 2004 budgets to the County Auditor until January 30, 2003 and February 3, 2003, respectively.

Chapter 331.433(2) of the Code of Iowa requires the County Auditor to compile the various office and department budget estimates and submit them to the Board on or before January 20 each year. The County Auditor submitted the compilation on February 3, 2003, but did not include the County Engineer's information.

The citizens of Montgomery County appealed the County's budget for the year ending June 30, 2004 to the State Appeal Board as allowed by the Code of Iowa. After a public hearing, the State Appeal Board determined that "tax levies were not legally adopted by the Board of Supervisors" and since there was no legal budget for Montgomery County, the State Appeal Board did not render a decision on the budget. The County was required to resubmit the 2004 budget to the Department of Management and the County was limited to the 2003 utility tax and property tax levies. The budget was resubmitted by June 20, 2003 as required by the Department of Management.

The petitioners alleged that copies were not available at the hearing and citizens were charged \$0.50 per page for a copy of the budget. The County Auditor represented there were no requests for copies of the budget prior to the budget hearing and there were no copies available at the budget hearing.

The State Appeal Board addressed this item in its response to the budget appeal as follows:

"Although the budget has been ruled invalid, the State Appeal Board would like to address several items related to the provision of budget materials that were brought up during the budget hearing.

- The petitioners cited the lack of budget materials made available to the public prior to and during the public hearing on the budget. The only document made available to the public during the budget hearing was an agenda listing some general information from the budget. The petitioners were required to pay \$12.50 to obtain a copy of the budget from the County Auditor's Office after the hearing.
- During the hearing, the Board of Supervisors stated that they did not have a copy of the budget document to review when they voted to adopt the budget. The County responded following the hearing that "A copy of the notice of public hearing and a copy of the budget was available per precedence in the County Auditor's Office."
- Iowa Code Section 331.434(2) states in part "The auditor shall make available a sufficient number of copies of the budget to meet the requests of taxpayers and organizations and have them available for distribution at the courthouse or other places designated by the board."

The County should do everything it reasonably can to ensure that its citizens have full access to the County's budget process."

For the year ended June 30, 2003, the County Auditor's departmental budget included \$158,741 for Elections Administration from the General Supplemental Fund and \$40,085 for Administration Management Services for non-election disbursements from the General Basic Fund. Compared to similar size Iowa counties, allocating 80% of the County Auditor's budget for elections administration seems unreasonable. The General Basic property tax levy is limited to \$3.50 per \$1,000 of taxable value, whereas the General Supplemental property tax may be levied to the extent the General Basic levy is insufficient to meet the County's needs for certain services that are identified in Chapter 331.424 of the Code of Iowa, which includes elections. By budgeting 80% of the County Auditor's budget from the General Supplemental Fund, the County was able to move certain disbursements to a fund with no property tax limitations.

For the year ending June 30, 2004, the County Auditor budgeted all elections administration expenditures from the General Basic Fund, except for employee benefits.

Recommendation - Department budgets and related budget compilation should be prepared and submitted in accordance with the statutory requirements. Copies of the budget should be made available for distribution to the taxpayers as provided in Chapter 331.434 of the Code of Iowa. The County should do everything it reasonably can to ensure that its citizens have full access to the County's budget process as recommended by the State Appeal Board.

The Board of Supervisors should develop County policy for fees charged consistent with Chapter 22 of the Code of Iowa. The Board should consult with the County Attorney as to whether the County may charge citizens for copies of the budget required to be made available under Chapter 331.434(2) of the Code of Iowa.

County Response - The findings of the Auditor of State were that the budget was submitted to the Board of Supervisors on February 3, 2003, rather than "on or before January 20" as required by Iowa Code 331.433(2). The County Engineer's budget was delayed by union negotiations (unknown factors of first-year negotiations) and could not be completed without taxable valuations (valuation report was completed

on or about January 13, 2003 rather than “not later than January 1” as required by Iowa Code 331.510). While the Board of Supervisors may have received budget worksheets in December 2002, the two (of three) outgoing Supervisors felt it would be more appropriate to await the induction of the new Board (four newly elected Supervisors) on January 2, 2003. The new Board lacked an understanding of the budget and timelines.

For fiscal 2004/2005, the Auditor provided photocopies of budget worksheets from nearly all elective or appointive officers or boards to the Board of Supervisors at their regular meeting on January 22, 2004; the budget was not compiled until February 18, 2004.

The findings of the Auditor of State revealed that the County Auditor/Elections Commissioner included 80% of that office's budget in the General Supplemental Fund for fiscal year 2003. They noted that, for fiscal year 2004, all election administration expenditures were budgeted from the General Basic fund other than employee benefits. That appears to be consistent for fiscal year 2005.

As a result of the petition of the budget, and regarding petitioners being charged for budget copies, the Board of Supervisors, with guidance from the County Attorney, approved a motion stating that copies of budgets will be available free of charge to citizens.

The Board of Supervisors also approved action that budgets will be available in the County Auditor's office prior to the Public Hearing on the Budget, and in the courtroom.

The Board of Supervisors discussed a countywide policy for fees charged, as per recommendation of the Auditor of State, but was unable to reach a decision.

Conclusion – Response acknowledged. The County Auditor should continue to monitor procedures to insure the County's compliance with these requirements and inform the Board if and when extenuating circumstances preclude compliance. The Board of Supervisors should continue to monitor compliance with these requirements and should pursue the countywide policy regarding fees charged consistent with Chapter 22 of the Code of Iowa.

- (C) Conflicts of Interest/Incompatible Positions – The following situations were identified during the reaudit of the County.

Incompatible Position: Leland Carmichael was Mayor of Villisca at the time he was elected to serve as a Montgomery County Supervisor. He was later re-elected as Mayor of Villisca while serving as Supervisor. The Montgomery County Attorney issued a written opinion to the County Auditor on September 27, 2002 indicating that there was “nothing illegal in serving on the City Council and School Board of the same community. We should error on the side of caution and always lean toward the premise of the importance of the public in being able to choose their elected officials.” On December 20, 2002, the County Attorney added these handwritten remarks: “Furthermore.... Nothing wrong with Leland being Mayor of Villisca and a County Supervisor cause that's what the voters chose!”

An Attorney General's opinion dated April 28, 1993 states in part “the office of mayor is incompatible with the office of county supervisor”. The opinion addressed the doctrine of incompatibility of offices. According to the opinion and the Iowa Supreme Court, the common law principle of incompatibility of offices was identified as:

“The test of incompatibility is whether there is an inconsistency in the functions of the two, as where one is subordinate to the other and subject in some degree to revisory power, or where the duties of the two offices are inherently inconsistent and repugnant.”

In addition, according to a court case quoted in the opinion “If a person, while occupying one office, accept(s) another incompatible with the first, he ipso facto vacates the first office, and his title thereto is thereby terminated without any other act or proceeding.”

On December 20, 2002, David Vestal, Deputy Director for the Iowa State Association of Counties, issued a written opinion which addressed this specific issue and the common law concept of incompatibility of office. Mr. Vestal’s opinion states in part “To the extent that doctrine continues today, I believe the offices of mayor and county supervisor are incompatible. The doctrine of incompatibility is measured by whether both the city and the county can be represented fairly and impartially if one person services in both capacities. The answer is no.”

Conflict of Interest: At the Board meeting on February 19, 2003, the minutes included the following item:

“Motion by Supervisor Carlson, second by Supervisor Carmichael to reduce 7.5% to all departments including wages less 3% increase to wages plus 1.4% to wages with the exception of Public Health who will reduce expenditures 7.5% not including wages and match 7.5% for an added reduction. Roll call. Carmichael, aye; Vannausdle, abstained; Carlson, aye; Stoldforf, no; Benskin, aye. Motion carried.”

Supervisor Carlson’s wife is a Public Health nurse (home health aide). Based upon the roll call vote, Supervisor Carlson’s vote was decisive to passage of this motion.

Recommendation – We are not attorneys, and accordingly, we were unable to determine the legal propriety of the potential incompatible position and/or conflict of interest. The County should consult independent legal counsel and/or the Office of Attorney General for assistance in resolving these matters.

County Response -

(1) Incompatible Position

The Auditor of State cited opinions by the Iowa Attorney General regarding incompatibility of office of mayor and office of county supervisor, case law, and an opinion issued by the Deputy Director of Iowa State Association of Counties (ISAC).

On about February 10, 2004, Leland Carmichael resigned as Mayor of Villisca. The County understands, clearly, the information provided by the Deputy Attorney General wherein he states that, upon resignation as mayor, “resolution of the incompatibility does not preclude someone challenging the status of the Carmichael as Supervisor or to actions taken by the Board”.

(2) Conflict of Interest

The Auditor of State quoted a motion made by Dale Carlson that was approved by the Board at their meeting on February 19, 2003.

The motion directed all departments, other than Public Health, to reduce their expenditure budgets by 7.5%; this reduction took into account and included wage increases of 1.4% rather than the 3% recommended by the Compensation Board. Carlson's motion further provided that Public Health would calculate 7.5% (for a reduction) of their overall budget, then extract wages prior to applying the total reduction (in other words, their line items for wages would not be affected by the reduction). Carlson's motion did not specify that Public Health would lower their wage increase to 1.4%, like other departments, rather than the 3% recommended by the Compensation Board.

To summarize, Leland Carmichael resigned as Mayor of Villisca. The County deems this to have resolved the conflict, however, we recognize that someone could challenge actions taken by the Board and/or by Carmichael. (See attached Exhibit 4).

Supervisor Dale Carlson's wife was a home health aide, and his brother is chairman of the Board of Health. Carlson asserted, several times, during the Board meeting on February 20, 2003 that he would not enter into the discussion or vote (on Public Health) because he has a conflict of interest. The minutes of that meeting failed to record his statement (Iowa Code 331.302(13)). During the public hearing on the budget appeal, Carlson stated he did not have a conflict because it is not in the minutes. On April 17, 2003, the Board was urged by a citizen to correct the minutes accordingly, however, corrected minutes have not been presented.

The County, through County Attorney Bruce Swanson, requested input from the Office of Attorney General (see attached Exhibit 4 and 5) on conflicts of interest.

Conclusion – Response acknowledged. We concur that the resignation of Supervisor Carmichael as Mayor of Villisca eliminates the incompatibility. We remain concerned that Supervisor Carmichael's failure to resign from the Board of Supervisors of Montgomery County following his re-election as Mayor leaves the County at risk as to "the status of Carmichael as Supervisor or to actions taken by the Board."

Conflicts of interest are addressed in various opinions of the Office of Attorney General as well as court cases. In an opinion dated September 8, 1992, the Attorney General addressed the doctrine of conflict of interest as follows:

"A conflict of interest is generally defined as existing whenever a person serving in public office may gain any private advantage, financial or otherwise, from such service. It is not required that this advantage be a financial one. Neither is it required that there be a showing the official sought or gained such a result. It is the potential for conflict of interest which the law desires to avoid."

We acknowledge that the position was that of a home health aide not public health nurse and that the Board of Health hired the Supervisor's spouse. These matters are secondary to the issue. The potential for conflict of interest exists as a result of Supervisor Carlson's action at the meeting on February 19, 2003. Accordingly, members of governing bodies would be well advised to abstain from discussion and/or voting on actions taken in regard to potential conflicts of interest.

The minutes record should include documentation to substantiate these situations, and the Board of Supervisors should require corrections to the minutes record when errors are noted. The County Auditor, as Clerk to the Board, should ensure that corrections are reflected as directed by the Board of Supervisors and as required by Chapter 331.504 of the Code of Iowa.

- (D) Nepotism – The County's Personnel Policy Manual (Manual) regarding Employment of Relatives states "It is the policy of the Board of Supervisors to avoid the hiring of relatives into the same department and to prohibit the hiring of relatives into positions that involve the supervision of those relatives. Chapter 71 of the Code of Iowa will govern in all cases related to this policy."

Chapter 71 of the Code of Iowa states, in part, "It shall hereafter be unlawful for any person elected or appointed to any public office or position under the laws of the state or by virtue of the ordinance of any city in the state, to appoint as deputy, clerk, or helper in said office or position to be paid from the public funds, any person related by consanguinity or affinity, within the third degree, to the person elected, appointed, or making said appointment, unless such appointment shall first be approved by the officer, board, council, or commission whose duty it is to approve the bond of the principal; provided this provision shall not apply in cases where such person appointed receives compensation at the rate of six hundred dollars per year or less."

Through inquiry and representation of the County Auditor, the following relationships were disclosed:

- The County Attorney's brother is an Assistant County Attorney. However, in accordance with Chapter 331.757, the Board of Supervisors must approve the appointment. According to the Certificate of Appointment, the Board approved the appointment.
- Supervisor Carlson's wife is a Public Health Nurse (home health aide). However, according to the County Auditor, the Board of Health hired the Public Health Nurse.
- The County Assessor's mother is a part-time clerk in the County Assessor's office. The County Assessor may hire office personnel in accordance with Chapter 441.13 of the Code of Iowa, but the provisions of Chapter 71 of the Code of Iowa apply. According to information provided by the County Auditor, this individual has only been paid \$34 in October 2002.
- Other relationships were identified which did not appear to be in noncompliance with Chapter 71 of the Code of Iowa. For two employees, the relationship was beyond the third degree and for three employees, the individuals were not supervised by the relative.

Recommendation – In some cases, the County appeared to be in compliance with Chapter 71 of the Code of Iowa, but not necessarily with the County's policy regarding hiring relatives. The County Assessor's employment of her mother does not appear to conflict with Chapter 71 of the Code of Iowa because she was paid less than \$600.

The County should consult legal counsel to determine the disposition of this matter. At a minimum, the Manual should be reviewed and clarified and procedures should be implemented to ensure compliance with the County's policy and Chapter 71 of the Code of Iowa.

County Response - The Montgomery County Personnel Policy (Effective July 1, 2002) states: It is the policy of the Board of Supervisors to avoid the hiring of relatives into the same department and to prohibit the hiring of relatives into positions that involve

the supervision of those relatives. Chapter 71 of the Code of Iowa will govern in all cases related to this policy.”

Upon the election of County Attorney Bruce Swanson, his brother, Mark, was appointed as Assistant County Attorney. This seemed to be a reasonable appointment since Mark Swanson had previously held the elected office of County Attorney in Montgomery County, was familiar with the local courts, area attorneys, law enforcement, as well as the local citizens. The Board of Supervisors approved the appointment. The requirements of Chapter 71 were met.

Regarding Supervisor Dale Carlson’s wife, a home health care aide in the Public Health Department, she no longer works for this department.

Other situations found that relationships were beyond the third degree or were in separate departments.

To summarize, direction was sought from the Attorney General’s office (see Exhibit 5). The County will work to change the language of the Personnel Policy to ensure compliance with the County’s policy and Chapter 71 of the Code of Iowa, to read:

EMPLOYMENT OF RELATIVES

It is the recommendation of the Board of Supervisors to avoid the hiring of relatives into the same department and to allow the hiring of relatives into positions that involve the supervision of those relatives only in extraordinary circumstances and only with approval of the Board of Supervisors. This policy is meant to strengthen rather than contradict Chapter 71 of the Iowa Code, which will take precedence.

Conclusion – Response acknowledged. Revision of the Board’s policy pertaining to employment of relatives consistent with the requirements of Chapter 71 of the Code of Iowa should resolve this issue. The Board should pursue action to implement this clarification in the Board’s policy.

- (E) Local Option Sales and Services Tax (LOSST) – We reviewed the County’s referendum designating 100% of its LOSST for property tax relief in Montgomery County, and more specifically, that 80% of the revenues would be expended for secondary roads. On March 13, 2003, the Board of Supervisors directed the transfer of 80% of the LOSST revenue. According to the resolution, transfers are to be made “from the Local Option Sales Tax Fund (Fund Number 16000) to the Secondary Roads Fund (Fund Number 20000) as such funds are received. This resolution shall remain in effect from July 1, 2003 until Local Option Sale(s) Tax dollars are no longer specified for this purpose.” Transfers have not been made as directed under this resolution.

Recommendation – LOSST revenue should be transferred to the Secondary Roads Fund in accordance with the approved referendum and the Board’s resolution. The transfer to the Secondary Roads Fund from the LOSST Fund would demonstrate compliance with the LOSST referendum. However, in order to provide an additional level of accountability, the County Engineer could use project numbers when coding the expenditures from the Secondary Roads Department to identify the expenditure of the LOSST revenue. While this is not necessarily required by the referendum, it does allow the County to inform the taxpayers and other interested parties as to how the LOSST revenue was “used” by the Department.

County Response - Resolutions are in place for Local Option Sales and Service Tax transfers to Secondary Roads (signed March 2003): the engineer should do nothing additional. The engineer understood it would be acted upon but as each month passed it became more evident that this Resolution was being ignored, as these transfers were not taking place; the engineer ultimately broached the issue. In the past, the Treasurer has stated she does no transfers until told to do so by the Auditor. Whether it is a function of the Treasurer or Auditor is immaterial; whether or not a Resolution is complied with is material.

Regarding Secondary Roads' expenditures from LOSST, they are coded, per State Auditor recommendation, with a project number, and noted as LOSST expenditures for publication and citizens' reference. (See attached Exhibit 6).

Conclusion - Response acknowledged. We concur with the remarks included in the County's Response: "Whether it (transfers) is a function of the Treasurer or Auditor is immaterial; whether or not a Resolution is complied with is material."

The County Auditor, as Clerk to the Board, has knowledge of the proceedings of the Board, including responsibility for the record of actions taken and the complete text of the motions, resolutions, amendments and ordinances adopted by the board in accordance with Chapter 331.504 of the Code of Iowa. In the future, the County Auditor should inform the Board if actions taken by the Board have not been complied with. If it is unclear as to whether this is the County Auditor's responsibility, the Board of Supervisors should provide direction to the County Auditor and other officials, as necessary, to avoid these situations in the future.

- (F) Transfers - Chapter 331.429 of the Code of Iowa establishes the requirements for the maximum amount that may be transferred from the General Fund and/or the Rural Services Fund to the Secondary Roads Fund.

During the year ended June 30, 2003, the transfer from the Rural Services Fund to the Secondary Roads Fund exceeded the maximum allowable by \$5,410.

Also, a transfer from the Rural Services Fund to the Secondary Roads Fund dated June 26, 2003 of \$14,327 was not documented in the Board minutes.

During the year ended June 30, 2003, two interfund transfers were made from the General Basic Fund to the General Supplemental Fund. These interfund transfers were not documented in the Board minutes.

Recommendation - The County should transfer \$5,410 from the Secondary Roads Fund to the Rural Services Fund to correct the overpayment.

Although the County Auditor and Board Chairperson signed the transfer slips for the interfund loan, Board approval for all transfers should be documented in the Board minutes.

County Response - If the Auditor and Treasurer were aware of an overpayment (from Rural Services Basic) on or before June 26, 2003, it is difficult to understand why a transfer from General Basic on June 26 and then from Rural Services Basic on June 30 occurred.

Conclusion - Response acknowledged. The corrective transfer of \$5,410 from Secondary Roads to Rural Services Basic should resolve the finding pertaining to the statutory maximum transfer.

The item pertaining to the \$14,327 transfer from the Rural Services Fund to the Secondary Roads Fund was included in the draft report provided to the County on January 18, 2004. Documentation was provided to the Auditor of State subsequent to that date and based upon the information provided, the Board approved this transfer at the meeting on June 30, 2003.

The items pertaining to the interfund transfers from General Basic Fund to the General Supplemental Fund were included in the draft report provided to the County on January 18, 2004. Documentation was provided to the Auditor of State subsequent to that date. Two transfers of \$25,000 each were made on February 19, 2003 and March 6, 2003. Repayment of \$50,000 was made on April 3, 2003.

The transfer slip provided by the County Auditor was dated February 19, 2003 for the transfer made on February 19, 2003. The Board approved this transfer on February 27, 2003.

The transfer slip provided by the County Auditor was dated March 6, 2003 for the transfer made on March 6, 2003. However, the minutes record provided by the County Auditor did not reflect approval for the \$25,000 transfer made on March 6, 2003. We were unable to determine whether the minutes record was incorrect or whether the Board did not approve this transfer.

The transfer slip provided by the County Auditor was dated March 25, 2003 for the transfer made on March 25, 2003. The Board approved this transfer on April 3, 2003.

The Board of Supervisors should approve transfers prior to the actual transfer of funds. The minutes record should accurately reflect the action taken by the Board and transfers should not be recorded until approved by the Board of Supervisors.

(G) Fund Balances - Chapter 331.476 of the Code of Iowa states in part:

“Except as otherwise provided in section 331.478, a county officer or employee shall not allow a claim, issue a warrant, or execute a contract which will result during a fiscal year in an expenditure from a county fund in excess of an amount equal to the collectible revenues in the fund for that fiscal year plus any unexpended balance in the fund from a previous year.”

The County had a deficit balance in the Rural Services Fund during the month of October 2002 and deficit balances in the General Fund during the months of December 2000 through February 2001.

Recommendation - Claims should not be approved for payment when cash balances are not available unless the debt is authorized by resolution of the Board of Supervisors and takes the form of anticipatory warrants, loans from other County funds or other short-term debt instruments or obligations.

County Response - The Board of Supervisors is dependent upon financial information from each office of Auditor and Treasurer. Without current and accurate information, prudent actions are impossible. The standing Board has been reasonably cautious to note, and rely upon, the “Certification of available funds” from the Treasurer before approving claims and payroll.

Conclusion - Response acknowledged. The Board’s responsibility is to approve claims for payment based upon the information available to the Board. We concur with the

County's Response: "The Board of Supervisors is dependent upon financial information from each office of Auditor and Treasurer. Without current and accurate information, prudent actions are impossible."

The County Auditor and County Treasurer should work together with the Board of Supervisors to ensure compliance with Chapter 331.476 of the Code of Iowa.

- (H) Employment Eligibility Verification Forms – New employees are required to complete Form I-9 "Employment Eligibility Verification". The County is required to obtain and document compliance with eligibility for employment through Form I-9 including evidence that establishes identity and employment eligibility. A list of acceptable documents is provided on Form I-9. Based upon our review of 20 judgmentally selected personnel files:

- One did not contain a Form I-9;
- Two did not contain a copy of the employee's drivers license;
- Nineteen did not contain a copy of an acceptable document from the Form I-9 listing or documentation that the County had observed evidence that established identity and employment eligibility;
- One was not signed by a designated official for the Employer and
- Six were not dated.

Recommendation – The County should review employee personnel files and update these documents as needed to demonstrate compliance with the employment eligibility requirements. The County should retain a copy of the acceptable document or document that evidence of an acceptable document was observed for each employee.

County Response - We understand that the Government has numerous requirements and that new forms are introduced from time to time. It is imperative that all elected and appointed officials and boards are cognizant of all forms and any new requirements for new employees. The I-9 is straightforward with the list of acceptable documents. It is the intent of the County to bring the deficient files into compliance.

Conclusion – Response acknowledged. The County Auditor should implement procedures to periodically review and/or test compliance to ensure that the procedures are working as prescribed.

- (I) Vehicle Usage and Travel Expense – The County has a written policy for "Fleet Safety – Vehicle Operations Policy" to promote safe driving by employees. This policy prohibits the personal use of County vehicles by employees. However the Secondary Roads department and the County Sheriff's Office require certain employees to maintain an on call status and are expected to be available with their vehicle at all times. Due to the on call status, certain employees may drive a County vehicle to and from work, within certain guidelines.

The County provides vehicles to certain employees of the Secondary Roads, Weed Commissioner, Conservation and Sheriff's departments. The vehicles are used for commuting to work when on call. According to Internal Revenue Service regulations, when an employee uses a County-provided vehicle that does not qualify as a non-

personal use vehicle for personal use, including commuting, a non-cash taxable fringe benefit must be imputed to the employee.

Social security taxes and IPERS are currently not being withheld and paid for personal vehicle usage. Personal vehicle usage should be included in the determination of wages that are subject to social security taxes. In addition, IPERS regulations state that wage equivalents provided for the convenience of the employee are covered wages. Therefore, IPERS should be calculated and paid for personal vehicle usage.

Recommendation - The Board of Supervisors should establish a written policy regarding vehicle usage. The County should seek advice from the County Attorney as to the proper disposition of payroll reporting for vehicle usage.

County Response - The County does have a policy: "FLEET SAFETY - VEHICLE OPERATIONS POLICY - AUTOMOBILES TRUCKS VANS PICKUPS" (see attached Exhibit 7) which was adopted by the Montgomery County Board of Supervisors in regular session on January 22, 1998.

This policy states in part (page 5): "Montgomery County strictly prohibits the personal use of county vehicles, however, secondary roads department and the Sheriff's Office does require employees to maintain an on call status and are expected to be available with their vehicle at all times. Due to the on call status of some county employees, the following guidelines have been established. (1) Use of county vehicles by employees during non-working hours is allowed for secondary roads as per the resolution dated February 19, 1985. In general, this means that on-call employees, may at the discretion of the engineer, drive a county vehicle to and from work. (2) Use of county vehicles by employees of the Sheriff's office is required due to the 24 hour on call status of the Sheriff and his deputies. This does not mean unlimited personal use of county vehicles but an officer needs to have a vehicle to respond to an emergency.

The following guidelines apply to the use of county vehicles.

1. It is permissible for employees to make personal stops enroute to and from work.
2. A county employee shall not stop enroute with a county vehicle for the primary reason of alcohol consumption.
3. An employee convicted of operating a county vehicle under the influence of alcohol or illegal drugs may be subject to termination.
4. Employees of the Sheriff's Office should not consume alcohol 8 hours prior to operation of a county vehicle on duty."

Further, an Internal Revenue Service, Revenue Ruling (1986-2 C.B. 42, 1986-33 I.R.S. 4.) for Qualified Nonpersonal Use Vehicles (set forth to determine whether a pickup truck or van meets the definition of a 'qualified nonpersonal use vehicle.') was published on August 18, 1986 (see attached Exhibit 8) and states in part: Section 3. Guidelines 01. "A pickup truck with a loaded gross vehicle weight not over 14,000 pounds is a qualified nonpersonal use vehicle if it falls into one of the following two categories. #1. The vehicle is clearly marked with permanently affixed decals or with special painting or other advertising associated with the employer's trade, business, or function and is equipped with at least one of the following: a hydraulic lift gate, permanently installed tanks or drums, permanently installed side boards or panels materially raising the level of the sides of the bed of the pickup truck, or other heavy

equipment, such as an electric generator, welder, boom, or crane used to tow automobiles and other vehicles.

It is noteworthy that, in the case of the County Engineer, the one vehicle taken home by an employee does fall within this guideline. Regarding vehicles within the Sheriff's Department, they are properly designated emergency vehicles that include markings, emergency lights, radio, etc.

Conclusion – Response acknowledged. This item was included in the draft report provided to the County on January 18, 2004. A copy of the County's policy was provided to the Auditor of State subsequent to that date. The County's policy should be modified to address non-cash taxable fringe benefits as well as travel expenses allowable for reimbursement, as noted in our recommendation. The Board of Supervisors, County Auditor and County Attorney should work together to develop and implement this policy.

- (J) Valuation Report – Chapter 331.510(3) of the Code of Iowa requires the County Auditor to submit a valuation report to the Department of Management by January 1st. The valuation report for the 2002 new taxable valuations was submitted by email on January 9, 2003.

Recommendation – The County Auditor should review and revise procedures to enable statutory compliance and timely submission of the valuation report to the Department of Management.

County Response – The County recognizes the significance of the valuation report. Each taxing body is dependent upon this report in order to calculate their revenues and levies. Some departments require this information to prepare their budgets, and without valuation information, some reports are delayed.

On January 9, 2003, a Supervisor asked the Auditor about this report during the Board meeting; it was completed on or about January 13. In January 2004, the valuation report was available to recipients January 2. However, a correction was made to that report that was provided to other taxing bodies on or about January 15, 2004. Supervisor Stoldorf asked for a corrected copy and it was provided March 11, 2004.

Iowa Code 331.510 requires the Auditor to make an annual report not later than January 1 of assessed valuations of taxable property. Statutory compliance is not negotiable and this is no different.

Conclusion – Response acknowledged. We concur with the County's Response: "Iowa Code 331.510 requires the Auditor to make an annual report not later than January 1 of assessed valuations of taxable property. Statutory compliance is not negotiable and this is no different."

- (K) County Equipment – Although the County has a policy on Internet and email usage, the County does not have a written policy governing use of County equipment including computer equipment. In accordance with an Attorney General's opinion dated May 13, 1983, private use of public property is permissible only if the private use is incidental to a public purpose and heads of agencies should promulgate rules establishing guidelines for mixed public and private usage of public-owned property.

Recommendation – The County should establish a policy regarding use of County equipment, including guidelines for mixed public and private usage of public-owned property.

County Response - The County would establish that any private usage of any county-owned equipment would be secondary to public usage, and that any private usage would be limited and done only with express approval of the appropriate elected official or appointed officer or board.

Conclusion – Response acknowledged. The Board should pursue action to implement this policy.

- (L) Lease-Purchase Agreement – The County entered into a lease-purchase agreement exceeding \$25,000. The County was unable to demonstrate compliance with Chapter 331.301(10)(e) of the Code of Iowa, which requires the County to follow substantially the same procedures required by Chapter 331.443 of the Code of Iowa, which states in part:

“Before the board may institute proceedings for the issuance of (bonds) for an essential corporate purpose, a notice of the proposed action, including a statement of the amount and purposes of the (bonds), and the time and place of the meeting at which the board proposes to take action for the issuance of the bonds, shall be published as provided in section 331.305. At the meeting, the board shall receive oral or written objections from any resident or property owner of the county. After all objections have been received and considered, the board, at that meeting or a date to which it is adjourned, may take additional action for the issuance of the (bonds) or abandon the proposal to issue the (bonds). Any resident or property owner of the county may appeal the decision of the board to take additional action to the district court of the county within fifteen days after the additional action is taken, but the additional action of the board is final and conclusive unless the court finds that the board exceeded its authority. The provisions of this subsection with respect to notice, hearing, and appeal are in lieu of any other law.”

Recommendation – The County should implement procedures to insure compliance with the requirements of Chapters 331.301 and 331.443 of the Code of Iowa for entering into lease-purchase agreements.

County Response - The Secondary Roads Department rented a skid loader on a monthly basis; retained it for twelve months and acted on a proposal by the vendor wherein they agreed to apply rent payments to the purchase price. The agreement allowed the County Engineer to return the property without penalty at anytime. The Board of Supervisors discussed the lease-purchase with the County Engineer. The financial analysis provided an additional nine months of usage for the same cost and without risk (it could be returned without penalty). Although the County Engineer could have purchased the equipment outright, because the skid loader was not a budgeted item, the lease-purchase appeared to be a viable option. However, it is now understood that a lease of any type requires notice and a public hearing.

Although the offer of a lease-purchase seemed reasonable and was accepted, Chapter 331.479 (Other Noncurrent Debt issuance) was overlooked. Future transactions will follow the proper procedures as identified in Iowa Code.

The Board of Supervisors has not directed, as per Iowa Code 331.430, to place this in Debt Service Fund.

Conclusion – Response acknowledged. The Board’s compliance with Chapters 331.301 and 331.443 of the Code of Iowa will resolve this issue.

- (M) Budget Reimbursement Items - The County Auditor used budget reimbursement items, such as postage and other reimbursements, to reduce certain receipts and disbursements. This resulted in understating the County's actual revenues/receipts and expenditures/disbursements.

Recommendation - Receipts and disbursements should not be reduced by miscellaneous collections except in limited situations such as the correction of posting errors.

County Response - It is imperative that all elected and appointed officials and boards understand any changes in procedure. It is compulsory that the Auditor and Treasurer adequately explain the change in policy or procedure. A memo should be issued to fully explain the change, the reason, and to request compliance by each department.

Conclusion - Response acknowledged. We concur with the County's Response. Written instruction should be provided to all elected and appointed officials and boards to provide guidance and explanation regarding this issue.

Montgomery County
Memo Regarding Board Agendas

Montgomery Auditor

Memo This document contains time-sensitive information. Please read immediately and respond as specified.

To Montgomery County Board of Supervisors
From Connie Magnuson
Date/Time 2/24/2003 at 10:34AM
Subject Board Agendas

Connie Magnuson, Montgomery County Auditor, hereby notifies the Montgomery county board of supervisors , as of February 24, 2003 at 12:00 P.M. I will no longer be responsible for the agendas for the board of supervisors meetings. This includes preparation of the agenda, posting of the agenda, and the notification of the press of the agenda.

I respectfully request notification of any agenda items scheduled and changes within an adequate time frame to prepare any required information or material.

Respectfully,



Connie Magnuson

Montgomery County Auditor/Clerk to the Board

Fax:

EXHIBIT 1

Montgomery County

Revised Agenda February 24, 2003

MONTGOMERY COUNTY BOARD OF SUPERVISORS – REVISED AGENDA

NOTE: The Board of Supervisors will NOT meet at 9:00 a.m. on Monday, February 24, 2003 as per the prior agenda.

The Montgomery County Board of Supervisors will meet in Special Session on Monday, February 24, 2003 at 2:00 p.m. in the Supervisor's Chambers at the Courthouse.

- 1) Review budget for all departments and finalize –
 - a. Board of Supervisors
 - b. Auditor / Election Commissioner
 - c. Clerk of Court
 - d. Court Administration (District)
 - e. Conservation
 - f. County Attorney
 - g. Courthouse
 - h. Data Processing
 - i. District Court (Juvenile)
 - j. Emergency Management
 - k. General Assistance
 - l. Health Board
 - m. Human Services
 - n. Mental Health
 - o. Recorder
 - p. Road Clearing
 - q. Sanitarian
 - r. Secondary Roads
 - s. Sheriff
 - t. Treasurer
 - u. Veterans' Affairs
 - v. Weed Commissioner
 - w. Zoning
 - x. Any other Department omitted above
- 2) Approve ending fund balances and levies
- 3) Approve notice to media for publication of budget
- 4) Discuss requirement for Auditor to publish agenda and official notices to comply with legal requirements; take action for compliance
- 5) Any other business that comes before the Board
- 6) Adjourn

EXHIBIT 2

Montgomery County

Consent Decree

IN THE IOWA DISTRICT COURT FOR MONTGOMERY COUNTY

HAWKEYE COMMUNICATIONS, INC.,)
d/b/a KCSI RADIO, LANDMARK)
COMMUNITY NEWSPAPERS,)
d/b/a RED OAK EXPRESS, and)
XPUBLISHING, LLC, d/b/a VILLISCA REVIEW,)
Plaintiffs,)

vs.)

GLEN BENSKIN, LELAND CARMICHAEL,)
DALE CARLSON, as members of the)
MONTGOMERY COUNTY BOARD OF)
SUPERVISORS and THE MONTGOMERY)
COUNTY BOARD OF SUPERVISORS,)
Defendants.)

CASE NO. LACV019376

CONSENT DECREE BETWEEN
PLAINTIFFS AND DEFENDANTS
GLEN BENSKIN AND THE
MONTGOMERY BOARD OF
SUPERVISORS

FILED
2004 FEB 16 PM 3:54
MONTGOMERY COUNTY IOWA
CLERK

COME NOW Plaintiffs Hawkeye Communications, Inc., d/b/a KCSI Radio, Landmark Community Newspapers, d/b/a Red Oak Express and XPublishing, LLC, d/b/a Villisca Review (hereinafter referred to collectively as "Plaintiffs") and Defendants, Glen Benskin and the Montgomery County Board of Supervisors, and hereby enter into the following Consent Decree subject to approval of the Court:

IT IS HEREBY STIPULATED, THAT:

1. Plaintiff Hawkeye Communications, Inc., d/b/a KCSI Radio ("KCSI") is an Iowa corporation with its principal place of business in Red Oak, Montgomery County, Iowa.
2. Plaintiff Landmark Community Newspapers, d/b/a Red Oak Express, ("Red Oak Express") is a newspaper publishing company with its principal place of business in Red Oak, Montgomery County, Iowa.

cc Bd & Auditor 2/16/04
cc Glen B 2/16/04

EXHIBIT 3

Montgomery County

Consent Decree

3. Plaintiff XPublishing, LLC, d/b/a, Villisca Review ("Villisca Review") is a publishing company with its principal place of business in Villisca, Montgomery County, Iowa.

4. Defendants Glen Benskin ("Benskin"), Leland Carmichael ("Carmichael") and Dale Carlson ("Carlson"), upon information and belief, are residents of Montgomery County, Iowa, and at all times relevant to this action were and continue to be members of the Montgomery County Board of Supervisors.

5. The Montgomery County Board of Supervisors ("Board of Supervisors") is a governmental body within the meaning and definition of Iowa Code Section 21.2(1) and has its principal place of business in Montgomery County, Iowa.

6. Venue is proper in Montgomery County, Iowa, pursuant to Iowa Code § 121.6(1).

7. Sometime prior to February 14, 2003 Defendants Carlson, Carmichael and Benskin, constituting a quorum of the Montgomery County Board of Supervisors, met at Johnnie's restaurant during which meeting said supervisors proceeded to discuss the policy and business of Montgomery County.

8. No notice of or agenda for said meeting was posted or provided to the media as required by Iowa Code Chapter 21.

9. Said meeting by the Montgomery County Board of Supervisors, including Benskin, was held in and constitutes a violation of Iowa Code Chapter 21.

10. On or about February 21, 2003, the Montgomery Board of Supervisors caused a notice of meeting and "agenda" to be posted indicating that the Board would "continue the budget process" at a meeting scheduled for 9:00 a.m. on February 24, 2003.

Montgomery County

Consent Decree

11. A copy of said notice and agenda was posted at the courthouse and copies were sent by fax to Plaintiffs pursuant to the Plaintiffs' prior request and the requirements of Iowa Code Section 21.4.

12. On February 22, 2003, another notice of meeting and agenda was posted in the courthouse and was sent to Plaintiffs. This notice provided "NOTE: The Board of Supervisors will NOT meet at 9:00 a.m. on Monday, February 24, 2003, as per the prior agenda. The Montgomery Board of Supervisors will meet in special session on Monday, February 24, 2003 at 2:00 p.m. in the supervisor's chambers at the courthouse."

13. No further or additional notice or agenda was posted or sent for any February 24, 2003 meeting.

14. At 9:00 a.m. on February 24, 2003, a quorum of the Montgomery Board of Supervisors proceeded to meet despite that no notice of said meeting had been posted or provided to the media. Defendants, including Supervisor Benskin, proceeded to discuss policy and the business of the County despite the objections of other supervisors and legal advice that said meeting was in violation of Chapter 21.

15. Said meeting at 9:00 a.m. on February 24, 2003 was in violation of Iowa Code Chapter 21.

16. Furthermore, Defendants, including Supervisor Benskin, met again in an unnoticed meeting at 1:00 p.m. on February 24, 2003.

17. Said meeting at 1:00 p.m. on February 24, 2003 was in violation of Iowa Code Chapter 21.

Montgomery County

Consent Decree

18. Pursuant to a notice and agenda posted in the courthouse and provided to Plaintiffs, the Montgomery Board of Supervisors scheduled a meeting for 9:00 a.m. on February 27, 2003.

19. Despite said notice, the Montgomery Board of Supervisors and Supervisors Benskin, Carmichael and Carlson met in a quorum commencing at approximately 8:45 a.m. on February 27, 2003, to discuss policy and the business of the County.

20. Said 8:45 a.m. meeting was in violation of Iowa Code Chapter 21.

**In light of the above stipulation, IT IS HEREBY ADJUDGED AND DECREED
THAT:**

1. Defendants Glenn Benskin and the Montgomery County Board of Supervisors are hereby enjoined from further violation of Iowa Code Chapter 21 for the one year period commencing on the date of this Decree; that

2. By agreement of the parties, no damages will be awarded against Defendants Benskin or the Montgomery County Board of Supervisors; and that

3. Defendant Benskin is hereby ordered to pay \$300 of the costs and attorney's fees incurred by Plaintiffs in pursuing this action for violation of Iowa Code Chapter 21.

Heckerman /s/
Judge, 4th Judicial District
2-16-04

By the respective signatures or the signature of a representative agent with appropriate authority, the parties hereby stipulate and consent to the entrance of this Judgment Decree and Injunction.

Glenn Y. Benskin
Defendant Glen Benskin, Individually

Montgomery County

Consent Decree

DEFENDANT MONTGOMERY COUNTY
BOARD OF SUPERVISORS

By: Bruce E. Swanson
Montgomery County Attorney 9:17 AM
Per Authority of Montgomery County Bd of Sups 1/15/04
PLAINTIFF HAWKEYE COMMUNICATIONS, Inc., d/b/a KCSI RADIO 1/15/04

By: Jan Castle Renander, publisher
Red Oak Express 1-22-04

PLAINTIFF LANDMARK COMMUNITY
NEWSPAPERS, d/b/a Red Oak Express

By: Jerry V. Dues, President
Hawkeye Communications Inc.
KCSI / KOAK Radio

PLAINTIFF XPUBLISHING, LLC, d/b/a
VILLISCA REVIEW

By: Bob M. ... copublisher
Villisca Review 1.22.04

Montgomery County
Letter from Department of Justice
Regarding
Doctrine of Incompatibility



THOMAS J. MILLER
ATTORNEY GENERAL

Department of Justice

ADDRESS REPLY TO:
HOOVER BUILDING
DES MOINES, IOWA 50319
TELEPHONE: 515/281-5164
FACSIMILE: 515/281-4209

February 5, 2004

Bruce E. Swanson
Montgomery County Attorney
209 Coolbaugh, P.O. Box 78
Red Oak, IA 51566

VIA FAX: 712-623-3193

Re: Doctrine of Incompatibility

Dear Mr. Swanson:

You recently contacted the Attorney General's office to consult with us about a draft report from the State Auditor. You indicated that in that report, the Auditor identified an incompatibility between the positions of Montgomery County Supervisor and Mayor of Villisca. Leland Carmichial has been elected to both positions. The Auditor recommended that Montgomery County resolve the incompatibility after consulting with the Attorney General or independent counsel.

As you know, a previous opinion of the Attorney General concluded that the common law doctrine of incompatibility applied to the positions of mayor and county supervisor. At common law, a person accepting a second, incompatible office, vacates the first. We agree with the recommendation of the State Auditor that the incompatibility be resolved and encourage you to so advise your county supervisors.

I understand from our recent telephone call that the Leland Carmichial intends to resign from his position as mayor. If that were to occur the incompatibility would appear to be resolved. You should be aware, however, that other issues might arise related to past actions of the Board or the City taken during the time when the incompatibility existed.

You have also consulted with staff counsel for the Iowa State Association of Counties, David Vestal, and provided us with his analysis. The Attorney General's office agrees with his

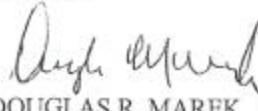
EXHIBIT 4

Montgomery County
Letter from Department of Justice
Regarding
Doctrine of Incompatibility

Letter to Bruce E. Swanson, page 2

opinion that resolution of the incompatibility does not preclude someone challenging the status of the Carmichial as Supervisor or to actions taken by the Board during the period following Carmichial's acceptance of the position of mayor.

Sincerely,



DOUGLAS R. MAREK
Deputy Attorney General

cc: Susan Battani, State Auditor's Office

Montgomery County
Letter from Department of Justice
Regarding
Conflicts of Interest and Nepotism



THOMAS J. MILLER
ATTORNEY GENERAL

Department of Justice

ADDRESS REPLY TO:
HOOVER BUILDING
DES MOINES, IOWA 50319
TELEPHONE: 515/281-5164
FACSIMILE: 515/281-4208

March 4, 2004

Bruce E. Swanson
Montgomery County Attorney
209 Coolbaugh
P.O. Box 78
Red Oak, Iowa 51566

Re: 2/11/04 inquiry regarding re-audit

Dear Mr. Swanson,

I am in receipt of you February 11, 2004, letter requesting assistance in responding to two points which were raised in the draft re-audit report issued by the State Auditor's Office. Specifically, you request guidance regarding a conflict of interest issue and an issue concerning the county's nepotism policy. The draft re-audit report suggested that the county "should consult independent legal counsel and/or the Office of the Attorney General" for assistance in resolving these matters.

As to the conflict of interest issue, the audit comment found that on February 19, 2003, Supervisor Carlson voted on a motion which impacted the budget of the county board of health and that his wife was employed as a Home Health Care Aide by the board of health. After receiving your letter I spoke with Susan Battani at the State Auditor's office for clarification of the comment. From this discussion I understand that the comment will be modified to reflect information provided by the county during the exit conference with the auditors on January 27th.

Based upon the motion itself, as quoted in the report, it is unclear whether the action taken by the supervisors had an effect upon the compensation of board of health employees. It appears, however, that the motion impacted the funds available to the board of health and may have impacted the compensation of board of health employees, including Supervisor Carlson's wife. If the motion did, in fact, have a direct or indirect impact on wages or salary paid to Supervisor Carlson's wife, then the Supervisor had a conflict of interest and should have abstained from discussion or vote on the motion.

5

Montgomery County
Letter from Department of Justice
Regarding
Conflicts of Interest and Nepotism

Bruce W. Swanson
Page 2

Conflict of interest is generally defined as existing "whenever an person serving in public office may gain any private advantage, financial or otherwise, from such service." 1982 Op.Att'y Gen. 220, 221. "We have previously held that a mere familial relationship does not create a per se conflict of interest at common law, but that there may be specific facts in a particular situation by which a familial relationship results in a conflict of interest." Op.Att'y Gen. # 87-11-10(L), citing 1984 Op.Att'y Gen. 78; 1980 Op.Att'y Gen. 300; 1972 Op.Att'y Gen. 338, 1966 Op.Att'y Gen. 38. The determination of whether a conflict of interest actually exists in a given situation involves an analysis of the particular facts of the case and the actions taken by the office holder. 1982 Op.Att'y Gen. at 223.

1990 Iowa Op. Att'yGen. 37 [#89-8-1(L) at p. 2] (copy enclosed).

Code section 331.342 (2003) generally prohibits county officers and employees from having a "direct or indirect interest" in a contract with the county. Similar restrictions are contained in a number of other statutory provisions. See, e.g., Iowa Code §§ 68B.2A, 314.2, 362.5, 403.16, and 721.11 (2003). These provisions have been construed in court decisions and in a number of opinions by this office. In one significant case, the Iowa Supreme Court in Wilson v. Iowa City, 165 N.W.2d 813 (Iowa 1969), reviewed the prohibition in § 403.16 against a public official acquiring a direct or indirect interest in an urban renewal project. The Court voided certain city council actions on the ground that some council members faced a conflict of interest under this statute because of their financial interests in urban renewal property. In addition, the Court invalidated other council action because of the personal, as opposed to financial, conflict of interest on the part of the mayor, who was also employed in a "position of influence" by the University of Iowa. The University owned urban renewal property and was "vitally interested" in the city's urban renewal project. Finding that §§ 403.16 should be read as incorporating common law conflict of interest principles, the Court stated as follows:

These rules, whether common law or statutory, are based on moral principles and public policy. They demand complete loyalty to the public and seek to avoid subjecting a public servant to the difficult, and often insoluble, task of deciding between public duty and private advantage. It is not necessary that this advantage be a financial one. Neither is it required that there be a showing the official sought or gained such a result. It is the potential for conflict of interest which the law desires to avoid.

(emphasis in original) 165 N.W.2d at 822. The Wilson Court thus makes clear that a conflict of interest may arise from a situation where a public official could potentially benefit from a

Montgomery County
Letter from Department of Justice
Regarding
Conflicts of Interest and Nepotism

Bruce W. Swanson
Page 3

personal relationship as well as a financial one. Further, Wilson emphasizes that even the potential for conflict, as opposed to an actual conflict, creates a serious conflict of interest problem.

In addition, prior opinions of this office have construed the phrase "direct or indirect interest" in situations where a familiar relationship raises a question as to the applicability of the statutory prohibition. For instance, § 362.5 prohibits a city officer or employee from having an "interest, direct or indirect, in any contract or job of work or material or the profits thereof or services to be furnished or performed for the officer's or employee's city." This statute then enumerates several exceptions to this prohibition. We have held that a "direct or indirect interest" under this section did exist when a person was a city officer or employee and his or her spouse entered into a business transaction with the city, but that this interest was not prohibited by statute so long as one of the statutory exceptions applied. See 1976 Iowa Op. Att'yGen. 551; 1973 Iowa Op. Att'yGen. 127; 1972 Iowa Op. Att'yGen. 338; 1966 Iowa Op. Att'yGen. 38.

As noted above it is unclear from the information contained within the Board minutes whether the specific action referenced in the audit report presented conflict of interest in light of the fact that Supervisor Carlson's spouse was employed by the Board of Health. In order to avoid the appearance of a conflict, the supervisors should be vigilant for potential conflicts and take action to ensure that these issues are addressed at board meetings and in board minutes. In this instance, for example, Supervisor Carlson should have either abstained from participating in the discussion and vote on this motion if it impacted his wife's compensation or he should have noted, for the record, why he believed the motion did not give rise to a conflict if the funding at issue did not directly or indirectly impact his wife's compensation.

With regard to the county nepotism policy, the draft re-audit report identified several instances in which relatives of county officers were hired by the county. As the report comment indicates, Code chapter 71 does not prohibit officials from employing related individuals, but does establish procedural prerequisites for such employment. Based upon the audit finding, it appears that actual process used for these appointment was consistent with Code chapter 71, but that the county personnel manual includes provisions regarding nepotism which are somewhat inconsistent with the provisions of Code chapter 71. You provided me with a copy of the county policy, which provides as follows:

EMPLOYMENT OF RELATIVES

It is the policy of the Board of Supervisors to avoid the hiring of relatives into the same department and to prohibit the hiring of relatives into positions that involve the supervision of those relatives. Chapter 71 of the Code of Iowa will govern in all cases related to this policy.

Montgomery County
Letter from Department of Justice
Regarding
Conflicts of Interest and Nepotism

Bruce W. Swanson
Page 4

Although the policy references Iowa Code chapter 71, the introductory statement in the policy could reasonably be interpreted to be more restrictive than the provisions of chapter 71.

The report recommends that "the personnel manual should be reviewed and clarified and procedures should be implemented to ensure compliance with the county's policy and Chapter 71 of the Code of Iowa." In other words, the county should either adhere to the stated policy of avoiding the hiring of relatives and prohibiting the hiring of relatives into positions that involve supervision of those relatives or the county should amend its policy so that it is clearly consistent with the terms of chapter 71. I agree that the action suggested in the audit report would resolve the noted deficiency.

I am hopeful that this information will be useful to you in assisting county officers as they respond to the audit report. Please note, however, that the observations contained herein represent my own personal analysis of the issues presented and that this is not an opinion of the Attorney General.

Sincerely,



Christie J. Scase
Assistant Attorney General

Montgomery County
Letter from Office of Auditor of State
Regarding
Local Option Sales and Service Tax



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0004
Telephone (515) 281-5834 Facsimile (515) 242-6134

David A. Vaudt, CPA
Auditor of State

March 3, 2004

Montgomery County
County Courthouse
105 Coolbaugh
Red Oak, Iowa 51566

To the Board of Supervisors:

This is regarding the County's Local Option Sales and Service Tax, (LOSST), revenue and compliance with the referendum. We previously wrote to you on November 17, 2003 regarding proper accountability for LOSST revenue and requirements to properly demonstrate compliance by the Secondary Roads Department.

We reviewed the County's referendum designating 100% for property tax relief in Montgomery County and more specifically that 80% of the revenues would be expended for secondary roads. We also reviewed Resolution 9, approved on March 13, 2003 by the Board of Supervisors directing the transfer of 80% of the LOSST revenue "from the Local Option Sales Tax Fund (Fund Number 16000) to the Secondary Road Fund (Fund Number 20000) as such funds are received. It is our understanding that the LOSST revenue is now being transferred as directed by County resolution.

Supervisor Stoldorf has asked us to provide additional clarification regarding the proper budgeting/appropriation and reporting for these LOSST transfers. The County should be budgeting/appropriating and reporting these transfers in the same manner as other transfers, such as the transfers from Rural Services Fund to Secondary Roads Fund. To clarify, the LOSST revenue should be recorded as revenue in Fund 16000 LOSST and transferred from that fund into the Secondary Roads Fund. After the LOSST proceeds have been transferred into the Secondary Roads Fund, the actual expenditures would be budgeted/appropriated and recorded in fund 20000.

To summarize, to avoid inflating the budget and overstating expenditures in the County's financial statements, the County budget should reflect only one amount for the LOSST revenue and one amount for the expenditure. The "movement" of the revenue from Fund 16000 LOSST to Fund 20000 Secondary Roads should be reflected as transfers, not as an expenditure from Fund 16000 and a revenue in Fund 20000.

On a related matter, the LOSST referendum provides that 5% of LOSST revenue is to be used for Courthouse repairs. Based upon information available to us, expenditures for a mixer, microphones, cables and stands may have been charged to the LOSST - Courthouse account. If so, these items do not appear to represent "repairs" and would not appear to be allowable from the LOSST revenue. Accordingly, the County should make a corrective transfer from the General Basic Fund or other allowable funds.

EXHIBIT 6

Montgomery County

Letter from Office of Auditor of State
Regarding
Local Option Sales and Service Tax

March 3, 2004
Page 2

We also want to provide clarification as to insurance reimbursements. Apparently, the County has recorded insurance reimbursements in the LOSST fund for lightning damage at the Courthouse and for loss of the Sheriff's vehicle. Insurance reimbursements should be returned to the fund from which the original expenditure was incurred. In this case, the General Basic Fund would appear to be the appropriate fund.

It is imperative for the County to be attentive to the statutory compliance requirements imposed with the passage of the Local Option Sales and Services Tax. Please respond to us in writing as to the disposition of these issues including documentation of corrective transfers, if applicable. Your response by March 31, 2004 is requested. If you have any questions about this, please contact us at 515-281-5834.

Sincerely,



Andrew E. Nielsen, CPA
Deputy Auditor of State

cc: ✓ Bruce Swanson, County Attorney
Connie Magnuson, County Auditor

Montgomery County

County's Fleet Safety - Vehicle Operations Policy

① Adopted by the Montgomery County
Board of Supervisors on January 22, 1998
Regular Session.

FLEET SAFETY-
VEHICLE OPERATIONS POLICY

AUTOMOBILES TRUCKS VANS PICKUPS

EXHIBIT 7

Montgomery County

County's Fleet Safety - Vehicle Operations Policy

PURPOSE

The purpose of this policy is to promote the principle of safe driving in Montgomery County, by Montgomery County employees; to reduce the risk of motor vehicle accidents; to contain the cost of accident liability insurance; and to advance public safety.

APPLICABILITY

This policy applies to all county employees who drive county owned, rented, or leased vehicles or to employees who operate their own vehicles as part of their regular job duties. This policy exempts operators of heavy equipment, equipment used off the road, and Sheriff's Officers.

RESPONSIBILITIES

While the Safety Committee will be responsible for developing and updating the county vehicle operations policy, department heads and crew leaders have primary responsibility for enforcing the provisions of the program; ensuring their employees are held accountable for their driving performance; and ensuring that their employees have required licenses. The safety director shall periodically schedule classroom instruction in safe driving techniques; seat belt use and other motor vehicle safety concerns. The Safety Committee may review any motor vehicle accidents involving either property damage or personal injury and recommend any appropriate disciplinary action indicated.

LICENSING

All employees must have a valid state motor vehicle license before operating any county owned, rented, or leased vehicle or private vehicle while on county business. Employees who have special work permit licenses or are declared to be disabled due to injury or other declared disability may be eligible to operate county vehicles with written permission of the department head.

Montgomery County

County's Fleet Safety - Vehicle Operations Policy

Montgomery County strictly prohibits the personal use of county vehicles, however, secondary roads department and the Sheriff's Office does require employees to maintain an on call status and are expected to be available with their vehicle at all times. Due to the on call status of some county employees the following guidelines have been established.

1. Use of county vehicles by employees during non-working hours is allowed for secondary roads as per the resolution dated February 19, 1985. In general, this means that on-call employees, may at the discretion of the engineer, drive a county vehicle to and from work.

2. Use of county vehicles by employees of the Sheriff's Office is required due to the 24 hour on call status of the Sheriff and his deputies. This does not mean unlimited personal use of county vehicles but an officer needs to have a vehicle to respond to an emergency.

The following guidelines apply to the use of county vehicles.

1. It is permissible for employees to make personal stops enroute to and from work.

2. A county employee shall not stop enroute with a county vehicle for the primary reason of alcohol consumption.

3. An employee convicted of operating a county vehicle under the influence of alcohol or illegal drugs may be subject to termination.

4. Employees of the Sheriff's Office should not consume alcohol 8 hours prior to operation of a county vehicle on duty.

Montgomery County

County's Fleet Safety - Vehicle Operations Policy

REPORTING TRAFFIC VIOLATIONS

In order to maintain current driver records, each driver is required to provide information about traffic violations to their department head. When an employee receives two traffic violations within one year, they shall report that fact to their department head, as well as any subsequent violations affecting their driving record. It shall be the responsibility of the counties insurance carrier to conduct yearly driver record checks on all applicable employees.

REQUIREMENTS

Drivers are required to provide notification if their license is suspended, revoked, or canceled, or who lose the privilege to operate a motor vehicle for any period of time. Notification shall be within one (1) work day following notice of suspension, revocation, or cancellation. A copy of the IDOT notice shall be given to the employee's supervisor and shall include the following:

- Driver's full name
- Driver's License Number/Social Security Number
- Date of violation
- Nature of violation
- Indication of whether violation was a private or commercial vehicle
- Location of offense
- Driver's signature
- Duration of suspension

INSURABILITY

In the event a current or prospective employee is determined by the county insurance carrier to be non-insurable, due to traffic violations, accident history, or for any other reason, that employee may be reassigned a non-driving position, suspended, or terminated, depending upon the term of non-insurability, past work record and other mitigating factors. Reassignment due to non-insurability may not be at the same pay scale the employee held while in a "driving capacity".

Montgomery County

County's Fleet Safety - Vehicle Operations Policy

The Montgomery County Board of Supervisors recognizes that accidents involving vehicles are the number one cause of worker on the job injury and insurability, and a significant source of property damage.

To further the safety of Montgomery County employees, and the general public, the Montgomery County Board of Supervisors directs all department heads, and employees to abide by the:

Montgomery County Vehicle Operations Policy
for
Automobiles Trucks Vans Pickups

Approved this 22nd day of January 1998


Chairman Board of Supervisors


Auditor

Montgomery County
County's Fleet Safety - Vehicle Operations Policy

Montgomery County Vehicle Operations Policy
Automobiles Trucks Vans Pickups

Vehicle Condition Report

PLEASE PRINT

Vehicle _____ Your Name _____ Date _____

☐ parking brake
☐ oil pressure light or gauge
☐ instrument panel warning lights
☐ horn
☐ windshield wiper & washer
☐ heater - defroster
☐ mirrors
☐ steering wheel (excess play)
☐ turn on all lights including 4 way flashers
☐ starts properly
☐ fuel tank and cap
☐ reflectors clean
☐ tires & wheel lugs
☐ tail lights ☐ R ☐ L
☐ stop lights ☐ R ☐ L
☐ turn lights ☐ R ☐ L
☐ headlights ☐ R ☐ L
☐ parking lights ☐ R ☐ L
☐ engine knock, misses, overheats, etc.
☐ clutch slips, grabs, other
☐ transmission noisy, hard shifting, jumps out of gear
☐ fire extinguisher
☐ reflectors
☐ spare bulbs
☐ fuses
☐ chains in season
☐ first-aid kit
☐ tire pressure
☐ brakes noisy, pulling, soft, etc.

(other problem
identified at
left)

Description of problem noted above. Use reverse side if
neccessary. _____

Person problem reported to _____

Signature of Operator _____

Signature of Repairman, Mechanic _____

Corrective Action: _____

Copies to: operator, supervisor, vehicle filed

Montgomery County
Internal Revenue Service Revenue Ruling

10/10/00-77

Rev. Rul. 86-97

I

Page 1 of 3

1986-2 C.B. 42, 1986-33 I.R.B. 4.

Internal Revenue Service
Revenue Ruling

QUALIFIED NONPERSONAL USE VEHICLES

Published: August 18, 1986

Section 274.-Disallowance of certain entertainment, etc., expenses, 26 CFR

1.274-5T: Substantiation requirements (temporary)

Qualified nonpersonal use vehicles. Guidelines are set forth to determine whether a pickup truck or van meets the definition of a 'qualified nonpersonal use vehicle.'

SECTION 1. PURPOSE

The purpose of this revenue ruling is to set forth guidelines for determining when the Internal Revenue Service will recognize certain specially modified pickup trucks or vans as 'qualified nonpersonal use vehicles' for purposes of section 1.274-5T(k)(7) of the Temporary Income Tax Regulations. If these guidelines are met, gross income will not include the value of the use by an employee of the employer's 'qualified nonpersonal use vehicle.'

SEC. 2. BACKGROUND

Section 132(a)(3) of the Code provides that gross income shall not include any fringe benefit which qualifies as a working condition fringe.

Section 132(d) of the Code defines a 'working condition fringe' as any property or services provided to an employee of the employer to the extent that, if the employee paid for such property or services, such payment would be allowable as a deduction under section 162 or 167.

Section 1.132-5T(h) of the Temporary Income Tax Regulations provides that 100 percent of the value of the use of a qualified nonpersonal use vehicle (as described in section 1.274-5T(k)) is excluded from gross income as a working condition fringe benefit, if in the case of a vehicle described in paragraph

(k)(3) through (7) of section 1.274-5T, the use of the vehicle conforms to the requirements of that paragraph.

Section 274(d) of the Code provides, in part, that a deduction incurred with respect to 'listed property' (as defined in section 280F(d)(4)) will be disallowed unless substantiated by adequate records or sufficient corroborative evidence. Listed property generally includes any passenger automobile or any other property used as a means of transportation. Section 274(d) does not apply to any qualified nonpersonal use vehicle as defined in section 274(i).

Section 274(i) of the Code provides that the term 'qualified nonpersonal use vehicle' means any vehicle which, by reason of its nature, is not likely to be used more than a de minimis amount for personal purposes.

Section 1.274-5T(k)(1) of the regulations excepts a 'qualified nonpersonal use vehicle' from the substantiation requirements of section 174(d) of the Internal Revenue Code.

Section 1.274-5T(k)(2) of the regulations provides that for purposes of section 274(d) of the Code and the regulations the term 'qualified nonpersonal use vehicle' means any vehicle which,

<http://www.taxlinks.com/rulings/1986/revrul86-97.htm>

EXHIBIT 8

2/2/2004

Montgomery County
Internal Revenue Service Revenue Ruling

by reason of its nature (that is, design), is not likely to be used more than a de minimis amount for personal purposes.

Section 1.274-5T(k)(2)(ii)(C) of the regulations provides that any vehicle designed to carry cargo with a loaded gross vehicle weight over 14,000 pounds is a qualified nonpersonal use vehicle.

Section 1.274-5T(k)(7) of the regulations provides that the substantiation requirements of section 274(d) of the Code will not apply to any pickup truck or van only if it has been specially modified with the result that it is not likely to be used more than a de minimis amount for personal purposes.

The exception from the substantiation requirements of section 274(d) of the Code and the exclusion from gross income as a working condition fringe benefit under section 132 apply to the use of a qualified nonpersonal use vehicle because of its design and not because of the nature of the employee's services

(such as being on 24-hour call).

SEC. 3. GUIDELINES

01. A pickup truck with a loaded gross vehicle weight not over 14,000 pounds is a qualified nonpersonal use vehicle if it falls into one of the following two categories:

1. The vehicle is clearly marked with permanently affixed decals or with special painting or other advertising associated with the employer's trade, business, or function and is equipped with at least one of the following: a hydraulic lift gate, permanently installed tanks or drums, permanently installed side boards or panels materially raising the level of the sides of the bed of the pickup truck, or other heavy equipment, such as an electric generator, welder, boom, or crane used to tow automobiles and other vehicles.

2. The vehicle is clearly marked with permanently affixed decals or with special painting or other advertising associated with the employer's trade, business, or function, is actually used primarily for transporting a particular type of load other than over the public highway in connection with a construction, manufacturing, processing, farming, mining, drilling, timbering, or other similar operation, and has been specially designed or modified to a significant degree for such use.

02. A van with a loaded gross vehicle weight not over 14,000 pounds is a qualified nonpersonal use vehicle if it is clearly marked with permanently affixed decals or with special painting or other advertising associated with the employer's trade, business, or function, it has a seat only for the driver or the driver and one other person, and either permanent shelving has been installed that fills most of the cargo area or the cargo area is open and the van constantly (during both working and nonworking hours) carries merchandise, material, or equipment used in the employer's trade, business, or function.

SEC. 4. APPLICATION

01. As stated in Sec. 3 above, the Internal Revenue Service will recognize a pickup truck as a qualified nonpersonal use vehicle for purposes of section

1.274-5T(k)(7) of the regulations if the pickup truck meets either of the two categories in Sec. 3.01 of this revenue ruling. Similarly, the Service will recognize a van as a qualified nonpersonal use vehicle if the van meets Sec.

3.02 of this revenue ruling. In such cases, the exception from the substantiation requirements of section 274(d) of the Code and the exclusion from gross income as a working condition fringe benefit under section 132 apply to the employee's use of the qualified nonpersonal use vehicle.

Montgomery County
Internal Revenue Service Revenue Ruling

SECTION 2.

Page 2 of 2

* 02. A pickup truck or van that does not meet the criteria in Sec. 3 of this revenue ruling may still be a qualified nonpersonal use vehicle if, based upon the particular facts, it satisfies requirements similar to those of this revenue ruling. In such cases, the taxpayer should contact the local district director for further guidance.

03. The vehicles described in Sec. 3 of this revenue ruling are those owned or leased by employers, including governmental units or any agency or instrumentality thereof.

SEC. 5. EFFECTIVE DATE

For purposes of both sections 132(a)(3) and 274(d) of the Code, this ruling is effective for vehicle use occurring on or after January 1, 1985.

Rev. Rul. 86-97, 1986-2 C.B. 42, 1986-33 I.R.B. 4.

Montgomery County

County Auditor's Responses

July 1, 2001 through June 30, 2002

(A) Minutes Record and Publications -

1. Timely Publications: County Auditor's Response: David Vestal's letter addressed to Supervisor Leland Carmichael on April 14, 2003 explained the detail of the board proceedings shall include a record of all actions taken and the complete text of the motions, resolutions, amendments, and ordinances adopted by the board. It also went on to say the guiding principle should be that the minutes should generally those who were not present what went on at the meeting. Many citizens in the county wanted to see the complete text of the meetings. In order to comply with citizens wishes, the task was very time-consuming, making it impossible to publish timely. When the board met every day, it became an impossibility to get board minutes done, as we were working with the board all day with the budgets. This was compounded with deadline dates for publications. The board of supervisor's meetings were held on Thursday mornings. However, some meetings were quite long, making the deadline of "noon" on Thursday impossible to get the minutes to them timely. Even if we did meet that guideline, the paper may not publish for another 10 days. One newspaper publishes on Tuesday with a noon deadline on Thursday, which is the board meeting and numerous meetings haven't concluded at the time, let alone having minutes completed. The other paper publishes on Thursday. We listened to the tapes for accuracy.

For several months the minutes have been condensed, and timely submissions for publications have been exercised. Technology has made it possible to e-mail the minutes to the official newspapers.

Prior to the current Auditor coming into office in 1997, the claims lists were as much as six months behind with no notation in the audit conducted by the State Auditor's Office. The Auditor was not aware the prior Auditor was not following the law, as the current Auditor was not aware of the guidelines.

The Auditor has recently changed the time period of publicizing the claims to reflect a timely publication.

2. Official Signatures: - County Auditor's Response: Chairperson of the board does not come in and sign the minute book. The chairperson has been asked numerous times and doesn't do it. The Auditor waits to sign until the Chair has signed, since the Auditor is attesting the Chair's signature.

We are in the process of getting the minute book signed, and intend to keep it up, with the Chair's cooperation.

3. Posting Agendas - County Auditor's Response: For the last 30 years the agenda has been posted by 10:00 a.m. the day before the meeting (Audited by the State).

Agendas for the Board of Supervisors meeting are posted in accordance with 21.4.

4. Documenting Vote of Each Member Present – County Auditor’s Response: You noted in some cases only two members voted. Previous to 2003 there were only 3 members and the Chair did not vote, unless required to break a tie. **The policy of the board was for the chair not to vote (again, last 30 years).**

When the board takes a roll call vote, each member’s vote is now recorded in the minutes.

5. Valid Meetings – County Auditor’s Response: The 2/24 minutes stated that Stoldorf was present inadvertently. The minutes will be proofread and compared to agendas for accuracy. Stoldorf was present via speakerphone at 9:05 a.m. There was a quorum present with 3 in person with a 4th via electronic means. (See 21.2(2)) A quorum is 3 people with a 5 member board.

On 2/21 a motion was made to meet at 9:00 a.m. on 2/24. Sometime over the weekend, Stoldorf had conversations over the phone with two other supervisors, organizing a change in the time of their 2/24 meeting. The clerk was not notified of this change. Stoldorf posted a new agenda sometime between Friday evening and Sunday afternoon, with a time change. Stoldorf placed the agenda in a locked case of which she didn’t have a key to. (The public could not see this posting, as the courthouse was locked during the weekend.) When Stoldorf was approached by other members of the board about how this revised agenda was placed in a locked case without the key, Stoldorf replied she posted the agenda on the doors of the courthouse. Auditor Magnuson and Assistance Auditor Miller will testify under oath there were no such postings, as the Auditor and Assistance Auditor came in to work on Sunday afternoon to finalize what the board needed for their 2/24 meeting at 9:00 a.m.

6. County Auditor’s Duties – County Auditor’s Response: **There were no intentional editorial comments made by the clerk. The clerk was careful to print “what was said” by carefully listening to the tapes.**

The minutes reflected the discussion of the meetings. The minutes now only record the agenda item, motions, resolutions, amendments and ordinances adopted by the board, along with the record of votes on each item.

You noted that several pages in the minute book were taped over. The minutes are printed on the pages from a P.C. There are equipment malfunctions or human error in setting the margins to print. When errors occurred it was printed on another sheet and taped in the book so it would look better.

In the future if a human error or equipment malfunction happens a line will be drawn through it or the whole page crossed out.

7. Open Meetings – County Auditor’s Response: The county auditor placed the 1st bargaining session on the agenda for January 6, 2003. The county’s union negotiator, Alan Kirshen, informed the County Auditor and board that his meeting was not being held in open meeting according to Chapter 20.17. The union negotiator is an attorney and advised the board. (The Board will hold the first and second bargaining session in the future in an open meeting.

- (B) Certified Budget – County Auditor’s Response: It is difficult for the Auditor to comply with 331.433(2) when the board and engineer don’t comply with 331.433(1). The board was not physically here 1/20/03, as they were attending ISAC new officer’s school in Des Moines. (See attached).

The Auditor sent budget worksheets to departments on December 9, 2002. The Auditor mailed the board members their department's budget along with a memo requesting the completed budgets be turned into the Auditor's office by December 31. Budgets for 04/05 were turned in by the due date this year. The budget was on the Supervisor's desk on January 20, 2004. (See attached).

There were no requests prior to the hearing for budgets. The Auditor charged for copies of the budget based on past precedence of the office (prior administration).

Budget materials available at the hearing were based on past precedence-by prior administrations, which is not always correct. The board did not direct the Auditor of any change in this procedure. The board, in essence violated the law by not designating access of the county budget per Iowa Code 331.434(2).

Copies of the budget will be available free of charge to persons requesting them in the future. The board will have copies available at the public hearing in the future. (See attached minutes of February 18, 2004 for designation for FY 04/05).

- (C) Conflicts of Interest/Incompatible Positions – County Auditor's Response: Upon Advice of the County Attorney in a letter dated 12-20-02, Leland Carmichael was allowed to hold 2 elective offices. **Now due to this reaudit, Leland Carmichael resigned as Mayor of Villisca on 2-10-04 upon advice of County Attorney and Iowa Attorney General. (See attachments). The incompatibility no longer exists. (See attachments).**

Supervisor Carlson's wife was a home care aide, not a Public Health Nurse. She was hired 2-6-01 by the Public Board of Health. Supervisor Carlson took office 1-1-03. **The board of supervisors do not approve the wages of Public Health employees per Iowa Code 137.6(4). Therefore, it does not appear to be a conflict of interest. In that particular meeting, Carlson made a motion to reduce expenditures per 2-20-03. (See attached.)**

- (D) Nepotism – County Auditor's Response: **Once again, the Public Health Board, NOT the board of supervisors hired Mrs. Carlson as a home care aide-not a public health nurse.**

The County's policy regarding the employment of relative states that Chapter 71 of the Code of Iowa will govern in all cases related to this policy.

- (E) Local Option Sales and Services Tax (LOSST) – County Auditor's Response: **The LOSST revenue has been transferred retroactive to 7-1-03 on 10-9-03. The revenue is transferred monthly upon notice from the County Treasurer-much like the transfers from General Basic and Rural Services are. (See attachments).**

NOTE: THE COUNTY AUDITOR DOES NOT ORDER THE TRANSFER OR MAKE THE TRANSFERS. THIS IS A TREASURER'S RESPONSIBILITY.

- (F) Secondary Roads Transfers – County Auditor's Response: The County Auditor and Treasurer had calculated that secondary roads had received \$332.40 in excess of maximum allowed per code from Rural Services basic as of May, 2003. Therefore the Treasurer had initiated a negative transfer for this amount and placed it on the board's agenda. The engineer then telephoned the Treasurer about this agenda item.

Since an issue was going to arise concerning this corrective action, the County Auditor and Treasurer phoned Andy Nielsen, Deputy State Auditor concerning this issue. Nielsen told us NOT to use that worksheet format-it was outdated. Nielsen said that we should transfer whatever has been budgeted for transfers to Secondary Roads, if the fund has the money.

We did not feel this was right because we were using the formula provided in 331.429, but the State Auditor's office is the authority on this. **Now that the re-audit came about, the State Auditor's opinion is that the statutory maximum has been exceeded for Rural Services Basic, this is what the County Auditor and Treasurer were trying to avoid.**

The county will make the corrective transfer from Secondary Roads to Rural Services Basic in the amount of \$5,410.34.

The transfer from Rural Services Fund to Secondary Roads dated June 26, 2003 for \$14,327.39 was documented in the Board minutes of June 30, 2003. The county has submitted two (2) copies of these minutes to the State Auditor showing this approval so we don't know why this item is here. (See enclosed 3rd attachment.)

This was not approved on June 26 because it was not on the agenda for that meeting. The date of June 26th was written on the transfer slip in error, (human error) as the transfers are normally presented on the same day. This was not on the agenda because of the deadline for the agenda for this meeting and our conversation as stated above.

During the year ended June 30, 2003, two interfund loans were made from the General Basic Fund to the General Supplemental Fund. The first loan in the amount of \$25,000.00 was approved by the board on February 27, 2003 and was properly recorded in the minutes, which we are providing the State Auditor for the third time.

The second loan in the amount of \$25,000.00 was signed by the Chairman of the Board of Supervisors, Glen Benskin on March 6, 2003. The resolution adopted by the board on February 4, 2003 authorized the Auditor to take correct action. (See attachment.)

The repayment of the \$50,000.00 loan was approved and properly recorded in the minutes of April 30, 2003, which we are providing the State Auditor for the third time.

Interfund loans will be on the agenda for board approval in the future.

- (G) Fund Balances – County Auditor's Response: The board approved the payment of claims allowing the funds to have a deficit balance. The county has learned from this error. The county auditor and treasurer have taken the responsibility to see that this doesn't happen again, even though it is the board's responsibility to do so.

The County Auditor and Treasurer have been very diligent to insure this does not happen in the future.

- (H) Employment Eligibility Verification Forms – County Auditor's Response: **It has been the practice of the Montgomery County Auditor to acquire the necessary documentation for Form I-9 and keep in employee personnel files. Human error has occurred. The Auditor has talked with her staff and set-up a written procedure to follow upon receiving documents from other departments for new employees. The County will follow and demonstrate compliance with employment eligibility requirements.**
- (I) Vehicle Usage and Travel Expense – County Auditor's Response: The County does not have a written policy regarding vehicle usage. The County Auditor has made attempts to implement the IRS policy but is shot down each time by the board or someone else stating that these people are "essential emergency personnel".

- (J) Valuation Report – County Auditor’s Response: The valuation report requires input of military values, TIF percentage compilation, balancing of values with Assessor, which means pulling out pollution control and forest and fruit trees values. With the Auditor’s very busy schedule, (especially after a November election), it’s very difficult to meet that deadline. The prior Auditor **never had the valuation report done until the middle to the end of January, and the State Auditor’s Office was auditing Montgomery County at that time. No recommendation came from the State.**

December 30, 2003, the Auditor completed and e-mailed to the State the Montgomery County Valuation Report. The County plans to comply with the Code of Iowa chapter 331.510(3). We have attached other counties valuation reports. Please note the run dates.

- (K) County Equipment – County Auditor’s Response: The County does not have a policy governing use of County equipment including computer equipment. **The Auditor’s Office, however, has implemented a policy that has been distributed to department employees.** There is no knowledge that such activities occur. **The county board will work with the county attorney to promulgate rules establishing guidelines for mixed public and private usage of public-owned property.**
- (L) Lease-Purchase Agreement – County Auditor’s Response: The County engineer entered into a municipal lease agreement with Mid-Land Equipment Company L.C. January 31, 2002 for a used Case 95XT Skid Steer and used Olitec CS40 Cold Planer without the knowledge or approval of the Board of Supervisors. This lease was not uncovered until the first payment was made January 24, 2003 in the amount of \$12,488.49 to Case Credit Corporation.

The lease payment came out of the new equipment function (07200) rather than debt service (10100). A journal entry at fiscal year end was made to reclassify this payment to the debt service area in the accounting system. The engineer chose not to correct on the engineer’s side. The payment has not been made out of debt service (10100) yet. Another journal entry will be made June 30, 2004.

The board will follow 331.301 and 331.443 if the board is aware of the intent to enter into a lease agreement.

- (M) Budget Reimbursement Items – County Auditor’s Response: The Auditor has only used reimbursements for postage. Other departments that have used reimbursements for various things are the engineer, treasurer, assessor, public health, and county attorney.

Each department is responsible for coding their revenues deposited with the Treasurer. Items classified as “reimbursements” are inherited from the Treasurer by the Auditor at month-end. At that time expenditures are reduced according to the line items given to the Treasurer on the miscellaneous receipts.

The engineer, however, continues to reimburse photo copy revenues, insurance proceeds for vehicle repair, secondary roads materials, salt and sand. The Treasurer has tried to talk to the engineer to correct some of these items, but has not been able to get the corrections from him.

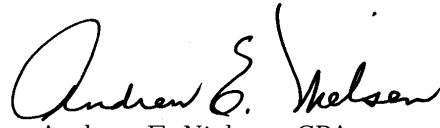
Receipts and Disbursements will not be reduced by miscellaneous collections except in limited situations such as the correction of posting errors.

Montgomery County

Staff

This reaudit was performed by:

Susan D. Battani, CPA, Director
K. David Voy, CPA, Manager
Cory A. Warmuth, CPA, Staff Auditor

A handwritten signature in black ink, reading "Andrew E. Nielsen". The signature is fluid and cursive, with the first name "Andrew" and last name "Nielsen" clearly legible.

Andrew E. Nielsen, CPA
Deputy Auditor of State

**Montgomery County
County Auditor's Attachments**

levy for fiscal year 2003-2004. Ketcham was concerned that we may not have enough money to provide the services required by code. Ketcham doesn't care if they lower her budget as long as there is fund balance there if she needs it for services. No further discussion.

Motion by Supervisor Carlson, second by Supervisor Carmichael to adjourn their session at 4:30 P.M. No discussion. Motion carried.

Glen Benskin
MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN

Connie Magnuson
ATTEST: CONNIE MAGNISON, AUDITOR/CLERK TO THE BOARD

MONTGOMERY COUNTY BOARD OF SUPERVISORS

MINUTES

SPECIAL MEETING

FRIDAY, FEBRUARY 21, 2003

At 6:00 P.M. Chairman Benskin called the special meeting to order. Supervisor Carmichael, present. Supervisor Vannausdile, absent. Supervisor Carlson, present. Supervisor Stoldorf, present.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the agenda of the day. No discussion. Motion carried.

Supervisor Carlson recognized the visitors that if they wanted to talk, they should come to the end of the table and listen to them. Others present were Jan Norris, Julie Bulkeley, Dale Watt, and Ben Rolf (aka Dennis Good).

Stoldorf started off with we got in a bad situation with the agendas and we have got some litigious people out there. And we have been put in a very awkward situation. I became aware that we have missed the 24 hour rule time and time again in the last month. This puts the board in an awkward position and put the county in a bad position. Some how we need to control, no not control, but get a grip on it. Benskin said the 1:00 agenda got there at 2 or 3; the 3:00 one got there at 4 something and when he called at 5 to see if it was coming down there, he just jumped me blindsided. Carlson asked if have a fax machine with a clock on it and it only sends it out at a certain time. Benskin said when they send it, it has time on it and when they receive it his puts a time on it. Carlson asked if it wasn't sent on time. Benskin said no it hasn't several times. Carlson said this needs to be corrected. Benskin said we're in violation and don't even know it.

Assistant Auditor Miller asked to speak about the 24-hour notice. Miller stated that for years the agenda has been sent out and posted by 10:00 A.M. the day before a 9:00 A.M. board meeting. This has been going on for years, prior administrations. Benskin said yesterday was one day they all three got wrong. Benskin said it was a good thing he called to see if it was going to check our clocks. Benskin called Jerry in respect and true faith to see that he got it so that we could be legal tonight. Carlson asked what we could do to correct the situation. Benskin said to instruct Connie and Cheryl to get them on time, they've got to be. Carlson asked it could be an hour early. Stoldorf said they could be a week early. They have to be there not less than 24 hours before the meeting. Carlson said lets have a couple hours before the deadline. Carlson said let what is in the past is gone, we can't control that. Stoldorf said we are probably going to get a lawsuit out of yesterday. Benskin said he told me we'd settle it in court or the courthouse. Benskin said he tried to talk to Bruce to have the meeting tomorrow, so Jerry and the Express could be here. Connie and Cheryl couldn't be here, nobody here to help us. So he asked Bruce if it was all right to go ahead and have it, Bruce didn't realize we were on a time deal.

Miller asked to say something else about yesterday and the agenda. When the agenda was put out for yesterday's meeting it was thought that we'd meet an hour in the afternoon to get the budget wrapped up. We were not planning on the board doing a reversal of everything that has been done in the last 2 - 3 weeks, then coming back after lunch and doing another reversal from the morning, and have to meet again and get an agenda out within 24 hours. Stoldorf said she understands that, but that does not preclude the 24-hour requirement. Miller said right and that probably hasn't been done for 50 years. Benskin said he didn't care if it has never been done, it was going to be done from today on, if he has anything to say with it. Carlson said maybe a day before it needs to be out. Carlson asked if we needed a motion to enforce that. Motion by Stoldorf, second by Carmichael that any agenda or other document that goes out of here representing the board of supervisors be done timely, in accordance with the law, by whoever is responsible to satisfy the letter of the law. Motion carried. Miller informed the board they need to notify the Engineer about the change so he can get his items in on time.

Benskin made a suggestion that apologies be sent to Dietz and the Express exclaiming the board didn't know anything about it. Everything should be cleared with the public and Jerry so the monkey isn't on our back. Carlson agreed with that. Carmichael wanted to know if they needed a motion. Benskin said no, we'll see if it is followed through with.

Miller informed the board about following through. The people sitting in this room in these chairs need to follow through with things. Benskin said for instance. Carlson said write the letter. Miller told the board they could write their letter. Stoldorf asked what do you mean we need to follow through with. Miller said there were a couple of departments that had not been notified they needed to change their budgets. Carmichael was to notify them but the budgets were lying here this morning and they knew nothing about it. Carmichael said he was tied up and they had gone home when he got there. Miller asked if he called them this morning. Carmichael replied he tried to and didn't get a hold of them. Miller said both offices had answering machines. Carmichael said he tried at their homes. Carmichael said they called the nurses. Benskin said he didn't blame the departments heads for being mad, they didn't understand the right formula. Half understood it one way, half the other way. Benskin understood it one way and Stoldorf another.

Carlson said the simple way to do this is next year start January 15th and be over by February 1, then we have no deadlines. Stoldorf asked for indulgence and read the state statute that covers that. Every department has to submit their estimated budget but on or before January 20 of each year the auditor or other designated official shall compile the various department and office estimates and submit them to the board. In the preparation of the budget the board can consult with any department or officer concerning the estimates and requests and can adjust the requests for any office or department. State law says we have to have it January 20, we did not get it until February 3, so we lost 2 weeks of time and put us in this time box. Miller asked to address this issue. Miller informed the board that all the budgets were not turned in by January 20th, that the board's budget was one of them. The board's budget was not turned in until the end of January. It is hard to compile a budget when they aren't all turned in. The engineer turned his in February 11th. Stoldorf said they turned their budget in the very day it was requested. Stoldorf said they were given 30 minutes to do their budget. Miller refuted that by stating that each member of this board was sent budget worksheets and a memo early in December. Carlson stated this was a no win situation, we have to learn from this experience. Bulkeley asked if the budgets were not turned into the auditor's office shouldn't they call them. What do you do about this. Where is Connie anyway for this. Miller informed her that Magnuson had an emergency. Miller told her all these people should be responsible they are given a deadline sent out in the memo telling them when to turn it in by. Miller said they should all be responsible and asked why the auditor's office was always held responsible. Dale watt said the note was in the mailbox saying they wanted it back by December 31st.

Carlson asked Good if he had anything to say. Good said he'd missed half of the meeting he was just waiting for JoAnn to show up at the Elks so he thought might come for some entertainment.

Miller informed the board they had the tax levy sheet and fund balance worksheet and they need to set a date tonight for the budget hearing. Look at the levy sheet and see if that is where you want it to be. If not you could adjust the ending fund balances in the supplemental funds to

lower the levy. This was all we have right now since people did not get revisions turned in until late in the day. You will need to meet Monday to finalize the levies.

Carlson asked what date they had in mind for the hearing. Stoldorf said the first date they could have it would be March 14. Motion by Stoldorf, second by Carlson to set the public hearing date for Friday, March 14th at 6:30 P.M. in the basement. Motion carried.

Benskin wanted to know how much this was up from last year. Benskin said he thought they could save enough to pave that road north of the building. Benskin said GIS was a sleeping giant and was here and paid for and should be used. Benskin asked we couldn't use it. Miller said that Sidwell was dropped as of January 1 and that the Auditor's office had the expertise to do their own maps. Stoldorf questioned why this hadn't been done before and 9,000 spent this year with 13,000 budgeted for next. Miller said we needed new maps to work from and this has been taken out of the budget for next year.

Benskin wanted to know what the board thought about combining the Sanitarian with the Weed Commissioner. Carmichael said it was getting to the point where we may need to start combining offices. Good asked if the weed commissioner was a mandated position. Benskin said he thought it was.

Carmichael brought up the liability insurance. Carmichael said we should look into ICAP it could possibly save us up to \$80,000 a year. It is a pool, not an insurance company. Benskin said you had to take part of the risk for everybody else and that is why we haven't done this.

Benskin asked for anything else. Miller told them they need to look at fund balances and decide where they want to be. Mental health is levied at 77.5% of the max. Benskin asked if they were put where you thought they should be. Miller stated they are where they wanted to be when we started 3 weeks ago with the fund balances we wanted to achieve at that time.

Stoldorf stated she thought rural services basic looks a little low to her, rural services supplemental looks real low ending fund balances. Mental health is healthy. Stoldorf stated she did not like the levies. Benskin asked for an explanation. The urban is up 15% and rural is up 11%. Benskin asked how do we change that. Stoldorf said reduce the supplemental funds. Stoldorf said that it wasn't safe to lower the fund balance, we need to lower the expenses. That comes back to the election expense. Good asked what election expenses. Benskin said that 70% of the Auditor's wages was taken out of general supplemental for elections. Stoldorf said elections come out of general supplemental and it has its own levy. Miller stated that the state government put in the law so you could pay for your elections out of general supplemental to protect elections. If you are requested to have an election and you do not conduct it you are going to be sued. Almost every auditor in the state budgets all their elections and all of their people out of supplemental to protect that. Miller informed the board that the wages were changed a few days ago to 50/50 general basic/general supplemental and reductions made accordingly per your request of the 7.5%. There is going to be 4 elections next year, school, city, primary and local option sales tax sunsets in March of 2004, so there is another countywide election. Bulkeley wanted to know what elections cost. Miller said a countywide election would run approximately \$20,000. Bulkeley thought that was for the people who sit at the polls. Miller said it is publication, programming, supplies, ballots, pollworkers, etc. Bulkeley thought we shouldn't pay pollworkers and we would have plenty of people volunteer to do that, you only ask certain people. Miller said they have experience and they need to attend schools before each election.

Stoldorf said one way we could increase the ending fund balance is we took the tax transfer out of general basic, we're taking it all out of rural services basic. That takes the ending fund balance down to \$113,000 in rural basic and doesn't like that. Stoldorf thinks the tax transfers should be returned to general basic and increase the rural basic ending fund balance by \$60,381. Stoldorf and Benskin wanted to see Secondary roads cash flow through their busy summer season. Miller asked about the other 20 departments. Benskin did not want to see them trapped either. Carlson asked if Rasmussen agreed to this. Stoldorf said he agreed with the dollars, but did not know what the ending fund balance was. Stoldorf said this had to change, \$113,000 was not enough of a fund balance. Stoldorf said we bought down his ending fund balance, it is half of what the state wants it to be.

Stoldorf said the one way to increase the ending balance would be to put the transfers back to general basic and reduce the rural basic.

There was discussion of property tax relief and local option sales tax.

Motion by Stoldorf, second by Carmichael the tax transfers are returned to general basic so that 90% of \$67,090 comes out of general basic and then the balance of the tax transfers come out of rural services basic to increase the ending fund balance in rural services basic. No discussion. Roll call vote. Carmichael, aye; Carlson, no; Stoldorf, aye; Benskin, aye. Motion carried.

Miller asked if the levies were fine the way they are and that is the only change you want to do. The board replied yes.

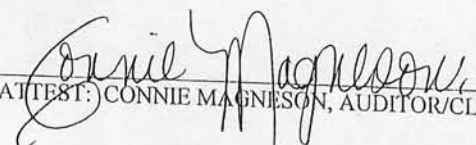
Stoldorf said that the general basic and rural services basic were at the max. The supplementals are the only ones that can change. We're in trouble in rural services supplemental. Stoldorf did not know what else we could do. Stoldorf asked if mental health was ok.. They said yes if there was not an emergency.

Carlson informed the audience that we cut this year, but look out for next year. We will have to cut services. Stoldorf said services will have to be cut.

Miller told the board they will need to come in on Monday to finalize the levies, fund balances and ready for the paper. Carmichael suggested 9:00 A.M., Carlson seconded it. Benskin said he would not be here Monday.

With no further business before the board, motion by Supervisor Carmichael, second by Supervisor Carlson to adjourn the special session at approximately 6:55 P.M.. No discussion. Motion carried.


MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN


ATTEST: CONNIE MAGNUSON, AUDITOR/CLERK TO THE BOARD

MONTGOMERY COUNTY BOARD OF SUPERVISORS

MINUTES

SPECIAL SESSION

MONDAY, FEBRUARY 24, 2003

At 9:00 A.M. Chairman Benskin called the special session to order. Roll call was taken. Supervisor Carmichael, present. Supervisor Vannausdell, absent. Supervisor Carlson, present. Supervisor Stoldorf, present.

Motion by Supervisor Carlson, second by Supervisor Carmichael to approve the agenda of the day. Discussion. Carmichael stated it was the 9:00 A.M. agenda stating if not finished by 12:00 P.M. the board would recess for lunch and reconvene at 1:00 P.M.. Carlson stated there was a funeral, so we have a conflict, but can be lenient. Roll call vote. Carmichael, aye; Carlson, aye. Motion carried.

Supervisor Carlson discussed postponing the meeting until tomorrow. Benskin stated that Dietz has announced the meeting for 2:00 P.M. today. Benskin stated we're gonna recess. The board discussed options. Carlson stated they could not finalize the budget it's not on the agenda. Benskin stated it was on the 2:00 agenda.

JOB VACANCIES

It is the policy of the County to fill job vacancies and higher rated jobs with the most qualified employee possible. Current employees interested in a job opening will be given consideration. In the selection of an applicant to fill the vacancy, the Employer will consider qualifications, attitude, skill, ability, past performance, efficiency, disciplinary record, and length of service. All positions will be posted on the Courthouse bulletin board. All appointments will be in compliance with policy on non-discrimination.

PROMOTIONS

When an employee is promoted from one job to another job having a higher wage rate, the employee may serve a probationary period of six (6) months. An employee who does not remain on the new job due to personal or physical reasons or the inability to perform the job during the probationary period, shall be reinstated to his/her former position with no loss of seniority or benefits if the former position is still available. If the former position is not available, every effort will be made to place the employee in a comparable position.

TRANSFERS

A transfer is a movement of an employee into another job within the County. Transfers, either voluntary or involuntary, will be granted by the Department Head and approved by the Board of Supervisors or governing Board.

An employee transferred will continue to receive the same benefits and his/her anniversary date will not change. A transferred employee will serve a probationary period of six (6) months. Inter-departmental transfers will normally require a two (2) week notice prior to the official transfer of an employee unless otherwise agreed to by the appropriate department heads.

EMPLOYMENT OF RELATIVES

It is the policy of the Board of Supervisors to avoid the hiring of relatives into the same department and to prohibit the hiring of relatives into positions that involve the supervision of those relatives. Chapter 71 of the Code of Iowa will govern in all cases related to this policy.

of Iowa, including all of its departments, and other subdivisions, based on state or claims arising out of the employment rela-

knowledge, in writing, that participation in the program waives any right to accept permanent-time or permanent full-time employment in the state other than as an elected official or employee of the state board of regents. The employee shall be free to separate from employment with the state by the date agreed upon by the eligible employee and the employer which date is consistent with the business plan submitted by the em-

ployee in acceptance to participate in the program. Upon separation from employment with the state by the date agreed upon, the participant shall receive a termination incentive. The state

shall pay to the participant, in a lump sum, the termination incentive and any other payments due the participant, if any, for accrued sick leave and vacation leave balances.

6. The department of personnel shall administer the program and shall adopt administrative rules to administer the program.

7. The legislative council shall provide a years of service incentive program for employees of the legislative branch consistent with the program provided in this section for executive branch employees. The benefit provided for employees under this subsection shall be no greater than that provided for executive branch employees.

8. This section is repealed June 30, 2003.
2001 Acts, 2nd Ex, ch 5, §1, 8

Section is effective July 1, 2002; 2001 Acts, 2nd Ex, ch 5, §8
NEW section

CHAPTER 71

NEPOTISM

Employments prohibited.

71.2 Payment prohibited.

Employments prohibited.

Hereafter be unlawful for any person appointed to any public office or position under the laws of the state or by virtue of the ordinary duty in the state, to appoint as deputy, clerk or in said office or position to be paid from public funds, any person related by consanguinity or affinity, within the third degree, to the person so elected, appointed, or making said appointment, unless such appointment shall first be approved by the officer, board, council, or commission having the duty it is to approve the bond of the person so appointed. This provision shall not apply to any person appointed who receives compensation at the rate of six hundred dollars per year, nor shall it apply to persons teaching in schools, nor shall it apply to the em-

ployment of clerks of members of the general assembly.

[C24, 27, 31, 35, 39, §1166; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §71.1]

Approving officers and boards, §64.19
Computation of degrees, §4.1(4)

71.2 Payment prohibited.

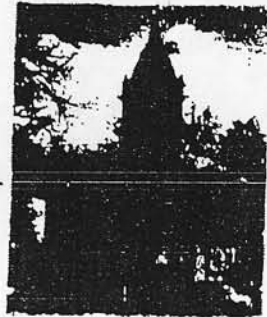
No person so unlawfully appointed or employed shall be paid or receive any compensation from the public money and such appointment shall be null and void and any person or persons so paying the same or any part thereof, together with their surety, shall be liable for any and all moneys so paid.

[C24, 27, 31, 35, 39, §1167; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §71.2]

Office of
County Attorney FILED
MONTGOMERY COUNTY
Montgomery County 2002 SEP 30 PM 12:12

RED OAK, IOWA 51566

CORNIE MAGNISON
AUDITOR 712-621-3011
COMMISSIONER OF ELECTIONS



September 27, 2002

Connie Magnuson
Montgomery County Auditor
Montgomery County Courthouse
Red Oak, IA 51566

Dear Connie:

Per your request I have reviewed Sections 39.11 and 39.12 of the Iowa Code along with Iowa Attorney General Opinion No. 93-9-1 (L) which was issued on September 9, 1993.

It is obvious the Attorney General construes the applicable statutes much more broadly than both you and I have in the past. The phrase "same level of government" is the key to interpretation. In my opinion the "level" of government breaks down to Federal, State, County, City and School. I find no reason to disagree with the analysis and reasoning set forth in the A.G. opinion.

In conclusion, I see nothing illegal in serving on the City Council and School Board of the same community. We should err on the side of caution and always lean toward the premise of the importance of the public in being able to choose their elected officials.

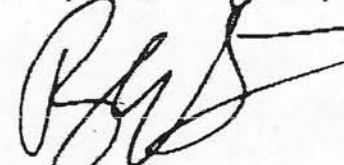
If I can be of any further assistance then please advise.

Most Sincerely,

SWANSON LAW FIRM


Bruce E. Swanson

BES/wca

Further more . . . nothing
wrong with Leland being
Mayor of Villisca and
a County Supervisor cause
thats what the voters
chose!  12/20/0

begin our discussion with recognition of the following basic principles of statutory construction. The ultimate goal in interpreting statutes is to ascertain and give effect to the legislature's intent." John Deere Dubuque Works v. Weyant, 442 N.W.2d 101, 104 (Iowa 1989). "We seek a reasonable interpretation that will best effect the purpose of the statute and avoid an absurd result. We consider all portions of the statute together, without attributing undue importance to any single or isolated portion." *Id.*

*2 To ascertain the legislative intent in construing a statute, a court may properly consider not only the language of the statute, but also its subject matter, object sought to be accomplished, purpose to be served, underlying policies, remedies provided, and consequences of various interpretation. Probasco v. Iowa Civil Rights Com'n., 420 N.W.2d 432, 435 (Iowa 1988).

Iowa courts and this office have long recognized and applied the common law doctrine of incompatibility of office. See State v. White, 257 Iowa 606, 609, 133 N.W.2d 903, 904 (1965), citing State ex rel. Crawford v. Anderson, 155 Iowa 271, 272, 136 N.W. 128, 129 (1912); 1992 Op. Att'y Gen. ____ (#92-9-1); 1982 Op. Att'y Gen. 220. New Iowa Code sections 39.11 and 39.12 create a statutory ban on dual office holding which will reach many situations previously encompassed within the incompatibility doctrine. These statutes do not, however, contain an expression of legislative intent to supersede the common law doctrine. Nor do Code sections 39.11 and 39.12 appear to negate the common law principles governing this area.

Under the common law doctrine, two offices are considered incompatible when "there is an inconsistency in the functions of the two, as where one is subordinate to the other, or when the duties of the two offices are inherently inconsistent or repugnant." State v. White, 257 Iowa at 609, 133 N.W.2d at 904-05. "If a person, while occupying one office, accept[s] another incompatible with the first, he ipso facto vacates the first office, and his title thereto is thereby terminated without any other act or proceeding." *Id.*

This office has, in recent years, construed the principles of the common law incompatibility doctrine narrowly and applied it cautiously, recognizing that "certain applications of the incompatibility doctrine . . . approach infringing upon interests of institutional dimension: the interest of a person in seeking public office, and the interest of constituents in having their choice of representation respected." 1992 Op. Att'y Gen. ____ (#92-9-1), quoting 1982 Op. Att'y Gen. 16 [#81-1-8(L)] at p. 2-3]. The common law doctrine of incompatibility, while most frequently applied to two offices which are within the same governmental subdivision, may also preclude simultaneous service in offices of different governmental entities if one is subordinate to or subject to revisory power of the other. See 1982 Op. Att'y Gen. 188 [#81-7-31(L)] (positions on city council and county board of review found incompatible).

In our approach to interpretation of sections 39.11 and 39.12, we acknowledge that we must "interpret statutes in conformity with the common law wherever statutory language does not directly negate it." Cookies Food Products v. Lakers Warehouse, 430 N.W.2d 447, 452 (Iowa 1988), citing Hardwick v. Bublitz, 253 Iowa 49, 59, 111 N.W.2d 309, 314 (1961), and Iowa Code s 4.2 (1987); see also 3 McQuillin, Municipal Corporations, s 12.67, p. 343 at N. 10 (3d ed. 1990) (common law and statutory compatibility of office provisions should be construed together as far as possible); Childs v. Moses, 265 App. Div. 353, ____ 38 N.Y.S.2d 704, 707 (1942) ("On the issue of incompatibility, if the statute and common law rule can stand together, the statute should not be construed so as to abolish the common law rule.").

*3 With these general principles in mind, we turn to Code section 39.11, which prohibits elected officials from holding more than one elective office "at the same level of government." Neither the Iowa Code nor Iowa case law provides us with a definition for the phrase "same level of government." This phrase could be construed expansively, to indicate broad categories of governmental functions (i.e. federal, state, and local "levels" of government), or more narrowly, as meaning each distinct governmental subdivision (i.e. county, townships, city, school district) is a separate "level of government". Having considered the impact of applying each of these constructions of the phrase "same level of government" to section 39.11, we conclude that the latter results in a more reasonable

power plant records

Reprinted from *The Villisca Review*

By ANNE HARTER, editor

Montgomery County Sheriff Tony Updegrave appeared before the city council to request a detailed audit of the Villisca Municipal Power Plant during the same meeting in which the council accepted with regret the resignation of Mayor Leland Carmichael. On the brighter side, the council agreed to loan the V-Town Park Boosters the funds necessary to purchase their entire planned playground equipment.

Updegrave appeared before the council after a preliminary investigation by his department revealed accounting irregularities.

Chief of Police Butch Rulla and the sheriff explained that Rulla referred the inquiry to the county office to avoid any conflict of interest on his part as a city employee who works in the same office in which the plant office is located.

Both men stated that they had not found evidence yet of criminal misconduct. The sheriff pointed out that an audit of agreed upon procedures of engagement by a firm not used by the power plant in the past would lend the most credibility to the inquiry. This type of audit is more thorough than most, reconciling receipts and invoices.

Both the new superintendent of the power plant, Charlie Gorton, and the chair of the board of trustees, Terry Currin, were present at the meeting.

"As far as you doing some investigating, did you find out anything that would say 'Let's go ahead and do this?'" asked Currin.

"Honestly, the first thing I saw was just the whole accounting process. I hope that's all that is," said Updegrave. Currin said that the board had been discussing an audit.

Updegrave explained that the audit would be paid for by the power plant, and if evidence deemed that "it be taken a step further," there would be a joint meeting of the trustees and council, "if it were to become criminal," said Updegrave.

"As far as speaking for the board, we're open to having a joint meeting to discuss the audit," said Currin.

Updegrave asked that either the council or the board of trustees move to implement the audit.

"The problem is regarding the previous superintendent, so if we just go back one year we don't cover everything he did," said Currin.

Also at the meeting, Mayor Leland Carmichael resigned from his position as mayor of Villisca because he also holds the elected position as county supervisor. Carmichael explained that the county attorney recently received correspondence from the attorney general's office that Carmichael needed to vacate one of the positions.

As reported in *The Review* on March 27, 2003, both the county attorney

Continued on page 5A.

Supervisors drop monthly department head meetings

By STEPHEN LECA
Assistant Editor

Monthly apartment head meetings will no longer be part of the meetings of the Montgomery County Board of Supervisors. The supervisors voted 4-1 to discontinue the department head meetings last Thursday.

Supervisor Margaret Stoldorf cast the opposing vote.

Supervisor Dale Carlson made the motion to immediately discontinue the department head meetings. Stoldorf suggested polling the department heads present last Thursday.

Sanitarian Kathy Powers said the department head meetings didn't accomplish anything. County Attorney Bruce Swanson supported that sentiment.

Sara Ketcham of the mental health department suggested going back to a

previous format for department head meetings. She said department heads met with one another and one supervisor to address internal courthouse issues.

As an example, Ketcham mentioned that one of her claims was not included in last Friday's list because she had listed the cost of the claim in three places on the claim form instead of four places. If the department heads met with one another, the question about the claim could have been addressed then.

Stoldorf argued that the department head meetings offered an opportunity for public interaction.

Carlson disagreed. "No department head is going to come in here and say what they really think because they'll get sacrificed," he said.

Claim questioned

The supervisors also voted 4-1 in favor of paying claims on Friday, Feb. 13, in

Stoldorf further questioned why the equipment was purchased from an Alabama merchant rather than locally. Citizen Linda Southworth said the county is not legally obligated to purchase goods locally if they can get a better deal from somewhere else.

Sales tax matters

The board received information regarding the local option sales tax. That led to a discussion of how the money was divided. During the last four years, the county has collected \$1.12 million from the local option sales tax.

Of that \$1.12 million, \$880,608 has gone to Secondary Roads. County Engineer John Rasmussen brought a map of county roads that had been highlighted to show where local option sales tax money was used for rock.

The sheriff's department has received

Continued on page 5A.

Business

Carmichael resigns as Villisca mayor

From front page.

ney, Bruce Swanson, and the city attorney, Dan Feistner, interpreted vague Iowa code and previous equally vague attorneys' general opinions in favor of Carmichael, maintaining that he was not in violation of Iowa code because he was holding two positions at different levels of government.

The attorney general's office last year told *The Review* that the matter should be settled by the county and city attorneys.

"The state has ordered me to resign," he said in part of his letter. "This is one of the toughest decisions I have ever made. I've probably enjoyed this job as much as any I ever have."

The mayor said that he appreciated working for city departments which liked to cooperate, singling out Rulla as one of the best chiefs of police in southwest Iowa.

City Clerk Elinor Brown and Public Works Director Dwaine Cooper both said that Carmichael had been great to work with. "We've enjoyed working with you," Cooper told Carmichael.

The council accepted his resignation with regret.

As for filling the vacant mayoral position, Brown said that usually a council member moves up. Larry Figgins is Mayor Pro Tem, and if he accepts the mayor's seat, he will serve out the rest of Carmichael's two year term until the next city election in November 2005. Figgins' position will be filled by appointment of the council, typically by a former, experienced council person or, in this case, possibly by Rita Kasha, who had the next most votes for the open position in last year's election.

The council passed a resolution calling for a special meeting next Tuesday to fill the seats. At that point, citizens would have two weeks to petition for a special election if they were unhappy with the results of

the special meeting. A special election could cost the city between \$2,000 and \$3,000.

The brightest part of the council meeting occurred when Brown, representing the V-Town Park Boosters, asked the city to lend the organization money to fund a complete purchase of the playground equipment.

Brown explained that the group has raised \$17,000 so far, and volunteers have offered to help with the installation.

The council agreed to lend the group money to order the complete project, which Brown estimates will be less than \$15,000. Parts will arrive in September.

Cooper also explained that the city will be able to keep the merry-go-round, the jungle gym and the little swings, because the insurance company agreed to provide coverage. The two slides will need to be removed.

Also at the meeting:

- Updegrave asked the city to consider contributing \$995 toward for the county emergency management position. Rulla pointed out that investment is returned to the community in the form of free training for police, fire and emergency personnel.

- As the preliminary budget for fiscal year 2004/2005 had been reviewed by the council and the public hearing had been held, the final budget hearing was set for March 9, 2004.

- The council granted approval to Travis Taylor to carry a firearm while on duty as a reserve city police officer. Taylor currently works at the Clarinda Correctional Facility and has served as a Montgomery County reserve sheriff for one and a half years.

- The council approved Jill Burgess to the ambulance squad.



ow selling this issue. Pick up 50 at the chamber office and "Back in Time" article.

Chamber Buck Winners

to Karen Crouse and Nancy at the Planned Parenthood Jan. 28; and Quentin Carlson winners at the Fountain Square b. 4. Join us this Wednesday at office for Iowa Telecom chamber coffee, from or your chance to win. The d to attend the coffees.

on any upcoming events, or the Red Oak Chamber of -4821 or visit our website, om.

comes to

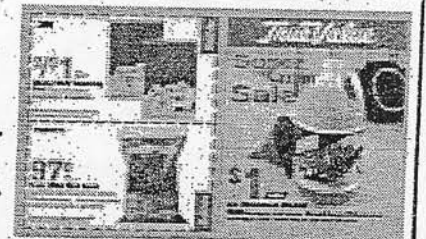
es magic, humor, juggling, loon animals and music to ovide high qulaity entertain- ent with an anti-bullying meg- ge and alternatives to vio- ce. Both children and adults : involved in created a cun 1 educational atmosphere.

epartment

minutes, Supervisor Stoldorf ed for some revisions, which mpted comments from the ience. Citizen Alton Snyder ed if Stoldorf was going to o *The Express* to make cor- ions in the paper.

Conservation Director ard Price interrupted the ting to ask about getting

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Red Oak True Value HARDWARE, HOME, OFFICE SUPPLY, TENNIS & SPORTING GOODS
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SPECIAL COUNCIL MEETING TUESDAY FEBRUARY 17, 2004 6PM
AT THE COMMUNITY BLDG APPOINTMENT TO FILL VACANCY
DUE TO RESIGNATION FOR MAYOR AND/OR COUNCIL

2004 MAR -5 PM 3:08
JENNIFER HUGHESON
AUDITOR
COMMISSIONER OF ELECTIONS

Meeting called to order by Mayor Pro Tem Larry Figgins at 6pm with the following roll call:

PRESENT: Figgins, Gaunt, Hutchinson, Phillis

ON SPEAKER PHONE: McAlpin

ABSENT: None

Also present Rita Kasha, Helen Lowe, Dee Figgins, Andy Crussell, Gail Kinser, Clarence Peterson, Villisca Review Anne Harter, Randy Nelson, Police Chief Butch Rulla, PWD Dwaine Cooper and Clerk Elinor Brown.

Motion Phillis second Hutchinson and unanimous vote to approve the agenda.

Figgins asked for nominations to fill the vacancy due to the resignation of Mayor Carmichael, term to run until the November 2005 city election certification as published in public notice. Motion Phillis second Hutchinson to nominate Larry Figgins. Motion Hutchinson second Phillis and unanimous vote for nominations to cease. Vote to appoint Larry Figgins to office of Mayor of the City of Villisca:

AYES: Gaunt, Hutchinson, McAlpin, Phillis NAYS: None ABSTAIN: Figgins
Figgins read his resignation from the Council seat to the City Council. Motion Phillis second Hutchinson and unanimous vote to accept the resignation effective immediately.

Brown administered the oath of office of Mayor to Larry Figgins. Figgins then requested nominations for Mayor Pro Tem. Phillis nominated Harold Hutchinson as Mayor Pro Tem, second Gaunt. AYES: Gaunt, Hutchinson, McAlpin, Phillis NAYS: None

Motion Phillis second Hutchinson to appoint Rita Kasha to the Council vacancy caused by the appointment of Figgins as Mayor as published in public notice in Villisca Review February 12. Motion Hutchinson second Phillis and unanimous vote that nominations cease. Vote on motion to appoint Rita Kasha to the City Council, term to run until the November 2005 city election certification. AYES: Gaunt, Hutchinson, McAlpin, Phillis NAYS: None

Brown administered the oath of office of City Council Member to Rita Kasha.

Motion Phillis second Hutchinson and unanimous vote to adjourn.

Next regular city council meeting Tuesday March 9, 2004 6pm at the community building.

ATTEST: Elinor S. Brown
Elinor S. Brown, City Clerk

Larry E. Figgins
Larry E. Figgins, Mayor

MEETINGS/EDUCATION

2002 Fall School

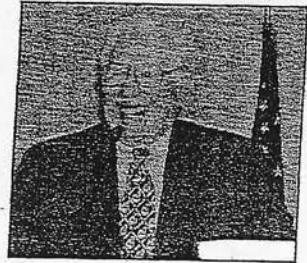
The 2002 Fall School was held in November at the Holiday Inn Airport in Des Moines. The President was Grant Veeder, Black Hawk County Auditor. Grant's theme for the year was "Service to the People." There was an attendance of



Jean Hirth, Franklin County Public Health, receives an innovation award for "Franklin County Navigator" from Grant Veeder.

879 and the keynote speaker was baseball Hall of Famer, Bob Feller, known as the "Heater from Van Meter," with his presentation "Strike Out." ISAC seminars were NACo Deferred Compensation Plans

and Post Employment Health Plans; What is the Future of Iowa's Clerks of Court; Integrated Service Pathway Project; Land Protection Options - Conservation Easements; County Data: Do You Sell It or Give it Away?, and Planning and Zoning: What is it, What It Is Not, How it Helps. The Iowa County Information Technology Association was voted into affiliation by the full membership. There were five Innovation Award winners honored: Franklin County for Franklin Navigator; Polk County for their Mobile Crisis Response Team; Iowa State Treasurers Association for www.iowatreasurers.org; Bremer County for Courthouse GIS Day; and Dallas County for their Archives and Records Center. The Blue Band was the entertainment at the dance.



Bob Feller as the featured keynote speaker for the general session.

New County Officers (NCO) School

In January the New County Officers School was held at the Holiday Inn Airport in Des Moines and there was an attendance of 165 new and seasoned county officials. Classes offered were Sources of the Law; Budgeting 101; Ethics; Open Meetings/Public Records; Resolving Courthouse Conflicts; Personnel Law and a new seminar called Ask the Experts, with a panel of experienced and knowledgeable county officials discussing what they wished they had known about county government when they took office.



Attendees at the New County Officers School.

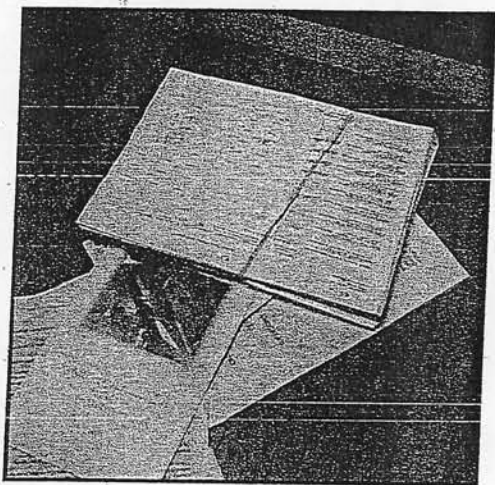
2003 Spring School

In March the 60th ISAC Spring School of Instruction & Business Meeting was held at the Holiday Inn Airport in Des Moines and there were 887 in attendance. The keynote speaker was President Thomas Jefferson who shared his views on the strengths of local governments, the dangers of consolidation, the proper role of government and a citizen's responsibility within that government. The ISAC seminars were How to Avoid Identity Theft; Preventing Illegal Dumping; Alternative Energy Sources; Do More With Your Computer!, and Technology Applications for Communities. The Years of

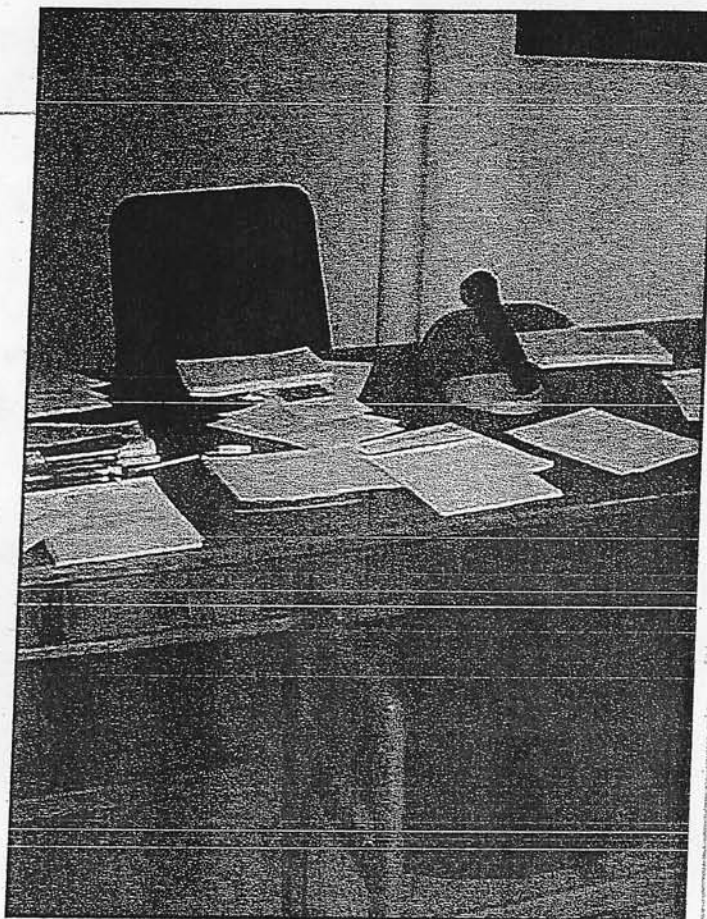


Keynote speaker Patrick Lee describing Thomas Jefferson's life.

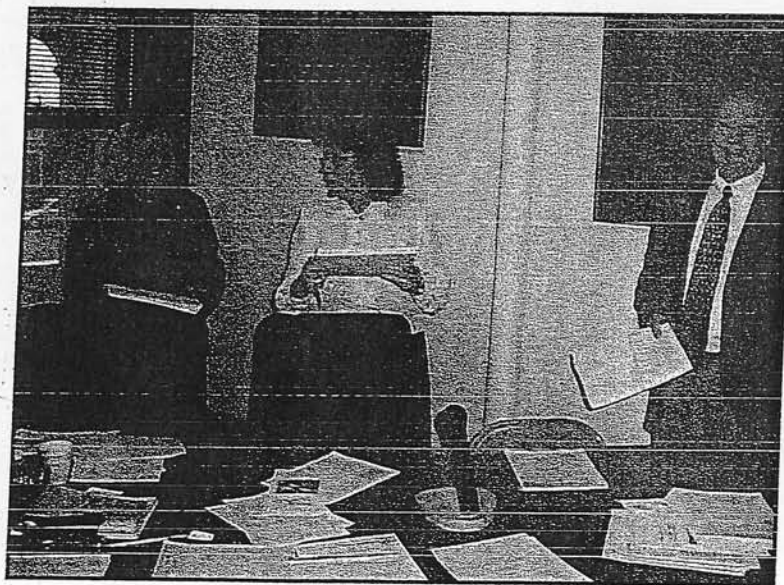
Delivery of FY05 budgets



taken 1/20/04 at 4:15 P.M.



taken 1/20/04 at 4:14 P.M.



taken 1/20/04 at 4:14 P.M.

MONTGOMERY COUNTY BOARD OF SUPERVISORS
MINUTES
BUDGET MEETING
FEBRUARY 18, 2004

At 9:00 A.M. Chairman Carmichael called the meeting to order. Roll call: Present: Carlson, Vannausdie, Benskin, Stoldorf, Carmichael.

Motion by Benskin, second by Carlson to approve the agenda. Discussion held. Stoldorf wanted item #6: (Motion to approve finalization of budget.) and Item #7: (Motion to approve and set levy for county budget.) reversed. No further discussion. Roll call: Ayes: Carlson, Vannausdie, Benskin, Stoldorf, Carmichael. Nays: None. Motion carried.

The board discussed the 2% reduction of salary increases for Elected Officials and employees from the 4% that was board approved on December 23, 2003. In the February 17, 2004 meeting, the board directed Elected Officials and Department heads to reduce their wages in their budgets from 4% to 2%. Discussion held.

Motion by Benskin, second by Vannausdie to give elected officials and employees 2% increase. Discussion: This item was not on the agenda for approval. County Attorney Swanson and Assistant County Attorney Swanson were both out of town, so they could not be reached for a legal opinion on this issue. Chairman Carmichael called the Page County Attorney, Dick Davidson. Davidson gave his legal opinion a motion on this subject was allowable, as it was part of the budget process.

Roll call: Ayes: Vannausdie, Benskin. Nays: Carmichael, Carlson. Stoldorf abstained. Motion failed.

Discussion held on salary increase percentage or "cents" increase (Secondary Roads Union's contract allows .40 cents for FY 04-05).

Benskin recommended the cost of living increase of 2.1%. Carlson recommended either the 2.7% or 40 cents.

Motion by Carlson, second by Vannausdie to approve 2.5% increase for Elected Officials and employees. More discussion. Carlson called for the question. Roll call: Ayes: Carlson, Vannausdie, Carmichael. Nays: Benskin. Stoldorf abstained. Motion carried.

Discussion: Stoldorf asked if the bottom lines of departments who don't fall within the salary guidelines of the board of supervisors should be decreased accordingly to make it fair to all departments.

The board wrote a request to all Elected Officials and department heads to adjust their salaries from the 2% request of February 17, 2004 to 2.5% as approved in the February 18, 2004 meeting. The board also requested departments to have their revised budgets to the Auditor by 1:00 P.M.

At 11:30 A.M., the board recessed for lunch by call of the Chairman.

At 1:15 P.M. the board reconvened back in the board of supervisor's room to continue working on budgets and called to order by the Chairman.

Much discussion was held concerning the levies and going over the cap in the general basic fund.

Motion by Carlson to set the general basic levy at 98 cents over the cap of \$3.50 with a total of \$4.48 to ensure \$250,000.00 ending fund balance in the general basic fund. Second by Benskin. Roll call: Ayes: Carlson, Vannausdie, Benskin, Carmichael. Nays: Stoldorf. Motion carried.

Carlson said the whole board needs to agree on the ending result of the budget.

Motion by Carlson to rescind the prior motion as stated: to set the general basic levy at 98 cents over the cap of \$3.50 with a total of \$4.48 to ensure \$250,000.00 ending fund balance in the general basic fund. Second by Benskin. Roll call: Ayes: Carlson, Vannausdie, Benskin, Stoldorf, Carmichael. Nays: None. Motion carried.

Discussion held. Motion by Carlson, second by Benskin to set the general basic levy at 98 cents over the cap of \$3.50 with a total of \$4.48 to ensure \$250,000.00 ending fund balance in the general basic fund. Second by Benskin. Roll call: Ayes: Carlson, Vannausdie, Benskin, Stoldorf, Carmichael. Nays: None. Motion carried.

Chairman Carmichael moved to agenda item #6: (Motion to approve finalization of budget.) Motion by Benskin, second by Carlson to approve the finalization of the FY 04/05 county budget. Roll call: Ayes: Carlson, Vannausdie, Benskin, Stoldorf, Carmichael. Nays: None. Motion carried.

Chairman Carmichael moved to agenda item #8: (Motion to approve public hearing date, time of public hearing of the county budget.) Motion by Carlson, second by Vannausdie to set March 12, 2004 at 9:00 A.M. in the courtroom of the courthouse. Discussion held. Roll call: Ayes: Carlson, Vannausdie, Benskin, Carmichael. Nays: Stoldorf. Motion carried.

Chairman Carmichael moved to agenda item #9: (Motion for approval by the board of the designated place for availability of the budget to meet the request of taxpayers and organizations for distribution per Iowa Code 331.434 (2).) Motion by Carlson to have 50 copies available in the Auditor's Office and 50 copies available in the courtroom of the courthouse. Second by Vannausdie. Roll call: Ayes: Carlson, Vannausdie, Benskin, Stoldorf, Carmichael. Nays: None. Motion carried.

Chairman Carmichael moved to agenda item #7: (Motion to approve and set levy for county budget.) Motion by Carlson, second by Benskin to set the county rates for FY 04/05 county budgets as follows: General supplemental at 1.97407 with an ending fund balance at approximately \$75,000.00; Mental health at .75041 with an ending fund balance at approximately \$224,124.00; Rural Basic at the cap of \$3.95 with an ending fund balance at approximately \$34,690.00; rural supplemental at .80561 with an ending fund balance at approximately \$10,000.00. ****(the general basic fund levy and approximate ending fund balance was approved in the motion prior to agenda item #6.) Roll call: Ayes: Carlson, Vannausdie, Benskin, Stoldorf, Carmichael. Nays: None. Motion carried.

Motion by Benskin, second by Carlson to set the reasons to raise the cap of the general basic fund from \$3.50 to \$4.48 as follows:

The levy was established above the cap to compensate for revenue lost due to equalization of ag land; increased rollback of residential and ag dwelling. Railroad property also had a rollback along with loss of revenue. There were state cut-backs for credits as revenue to the County for FY 03/04 and projected 04/05. Roll call: Ayes: Carlson, Vannausdie, Benskin, Stoldorf, Carmichael. Nays: None. Motion carried.

At approximately 11:30 P.M. motion was made by Carlson, second by Vannausdie to adjourn. All ayes. Motion carried.

Memo

This document contains time-sensitive information. Please read immediately and respond as specified.

To Montgomery County Auditor's Office Personnel
From Connie Magnuson
Date/Time 3/1/2004 at 2:38PM
Subject Auditor's Office equipment

It is the policy of this office, during the tenure of Connie Magnuson as Montgomery County Auditor, that all Montgomery County owned property including computer equipment shall remain on and in the premise of the Montgomery County Auditor's Office, and shall not be used for personal needs.

FILED
MONTGOMERY COUNTY
2003 JAN 20 PM 11:53

CONNIE MAGNISON
AUDITOR
COMMISSIONER OF ELECTIONS

ADAMS COUNTY JANUARY 1, 2004 NET TAXABLE VALUATIONS
FOR FY2003/2004 TAX LEVIES
BY LEVY AUTHORITY, BY COUNTY

USE FOR COMPUTING PROPERTY TAX RATES
INCLUDES GAS & ELECTRIC UTILITY

A B C

VALUE FOR COMPUTING TAX RATES

COMPUTING TAX RATES

APPLICABLE INCREMENT

FOR DEBT SERVICE/PP

EL

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26,872,431

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26,872,431

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119,938,847

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21,248,958

6,101,998

36,002,631

11,100,326

207,005,501

272,661

206,732,840

207,005,501

14,770,769

15,805,541

11,991,166

16,237,432

21,514,949

12,635,654

16,734,333

13,980,392

CODE

RURAL

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USE FOR COMPUTING PROPERTY TAX DOLLARS
EXCLUDES GAS & ELECTRIC UTILITY

D E F

VALUE FOR COMPUTING TAXES LEVIED

APPLICABLE INCREMENT

FOR DEBT SERVICE/PP

TAXES ONLY

169,187,091

26,564,832

195,751,923

195,751,923

195,751,923

154,705

169,461

23,403,209

47,312

1,021,231

108,438

1,624,767

35,709

26,564,832

126,863

113,587,483

11,311,056

141,698

20,723,316

5,687,215

33,634,549

10,539,743

195,751,923

268,561

195,483,362

195,751,923

13,647,155

14,589,422

11,888,807

15,784,705

19,376,704

12,058,143

16,228,791

12,897,732

ADAMS COUNTY JANUARY 1, 2004
 FOR FY2003/2004 TAX LEVIES
 BY LEVY AUTHORITY, BY COUNTY

FILED
 MONTGOMERY COUNTY
 2003 JAN 20 PM 11:53

CONNIE MAGNISON
 AUDITOR
 COMMISSION NAME ELECTIONS
 PRESCOTT
 QUINCY
 UNION
 WASHINGTON
 ****TOTAL FOR ALL TOWNSHIPS
 ADAMS COUNTY AG EXTENSION

USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY			USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY		
A	B	C	D	E	F
VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PP FL.	VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PP TAXES ONLY
14,095,889			13,582,966		
11,593,962			10,718,856		
15,919,135			14,799,106		
14,853,848			13,614,704		
180,133,070			169,187,091		
207,005,501			195,751,923		

FILED
 MONTGOMERY COUNTY

CODE 2003 FEB 10 AM 10:32
 NAME

RURAL RINGGOLD'S CORNIE MAGNESON
 URBAN RINGGOLD'S AUDITOR
 RINGGOLD'S COMMISSIONER OF ELECTIONS
 ***TOTAL FOR COUNTY
 RINGGOLD COUNTY ASSESSOR
 ***TOTAL FOR ALL ASSESSORS
 BEACONSFIELD REGULAR
 BEACONSFIELD AGRICULTURAL
 BENTON REGULAR
 BENTON AGRICULTURAL
 CLEARFIELD REGULAR
 CLEARFIELD AGRICULTURAL
 DELPHOS REGULAR
 DELPHOS AGRICULTURAL
 DIAGONAL REGULAR
 DIAGONAL AGRICULTURAL
 ELLSTON REGULAR
 ELLSTON AGRICULTURAL
 KELLERTON REGULAR
 KELLERTON AGRICULTURAL
 MALOY REGULAR
 MALOY AGRICULTURAL
 MOUNT AYR REGULAR
 MOUNT AYR AGRICULTURAL
 REDDING REGULAR
 REDDING AGRICULTURAL
 SHANNON CITY REGULAR
 SHANNON CITY AGRICULTURAL
 TINGLEY REGULAR
 TINGLEY AGRICULTURAL
 *****TOTAL FOR ALL CITIES
 BEDFORD
 CLEARFIELD
 CRESTON
 DIAGONAL
 EAST UNION
 LAMONI

USE FOR COMPUTING PROPERTY TAX RATES
 INCLUDES GAS & ELECTRIC UTILITY VALUATIONS

A	B	C
VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PEEL RATES ONLY
168,715,141	3,124,775	171,839,916
37,931,359	1,477,213	39,408,572
206,646,500	4,601,988	211,248,488
206,646,500		
171,925		171,925
135,575		
269,101		269,101
100,739		
92,666		92,666
10,220		
199,079		199,079
199,866		
2,137,608	187,672	2,325,280
131,466		
338,767		338,767
49,808		
1,958,755		1,958,755
72,907		
212,483		212,483
146,420		
29,165,071	1,289,541	30,454,612
239,739		
588,413		588,413
140,343		
70,851		70,851
37,444		
1,254,907		1,254,907
207,206		
37,931,359	1,477,213	37,936,839
2,812,960		2,812,960
9,276,429		9,276,429
73,338		73,338
29,278,541	187,672	29,466,213
2,383,755		2,383,755
3,748,999		3,748,999

USE FOR COMPUTING PROPERTY TAX DOLLARS
 EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS

D	E	F
VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PEEL TAXES ONLY
160,796,751	3,124,775	163,921,526
34,726,565	1,477,213	36,203,778
195,523,316	4,601,988	200,125,304
195,523,316		
195,523,316		
144,125		144,125
135,575		
235,590		235,590
100,739		
92,666		92,666
10,220		
174,576		174,576
199,866		
1,836,159	187,672	2,023,831
131,466		
300,054		300,054
49,808		
1,774,575		1,774,575
72,907		
180,476		180,476
146,420		
26,852,649	1,289,541	28,142,190
239,739		
515,343		515,343
140,343		
55,819		55,819
37,444		
1,092,800		1,092,800
207,206		
34,726,565	1,477,213	34,732,045
2,767,049		2,767,049
8,732,017		8,732,017
73,338		73,338
27,285,982	187,672	27,473,654
2,144,634		2,144,634
3,699,179		3,699,179

2002 NET TAXABLE VALUATIONS
FOR FY2004 TAX LEVIES
BY LEVY AUTHORITY, BY COUNTY

CODE	NAME	USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS			USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS		
		A	B	C	D	E	F
80873609	LENOX						
80804527	MOUNT AYR	1,716,903			1,614,224		1,614,224
	***TOTAL FOR ALL K-12 SCHOOLS	157,355,575	4,414,316	1,716,903	149,206,893	4,414,316	153,621,209
8088F014	SOUTHWESTERN CC	206,646,500	4,601,988	211,248,488	195,523,316	4,601,988	200,125,304
	***TOTAL FOR ALL COMMUNITY COLLEGES	206,646,500	4,601,988	211,248,488	195,523,316	4,601,988	200,125,304
8080K001	ATHENS	8,380,676			8,043,724		200,125,304
8080K002	BENTON	8,389,384			7,893,098		
8080K003 1	CLINTON - BEDFORD FIRE	2,467,370			2,421,764		
8080K003 2	CLINTON - MT AYR FIRE	4,118,213			3,999,536		
8080K004	GRANT	10,086,397			9,482,328		
8080K005	JEFFERSON	11,755,258			11,012,845		
8080K006	LIBERTY	11,103,877			10,109,642		
8080K007	LINCOLN	12,498,062			12,082,870		
8080K008	LOTTS CREEK	4,830,714			4,720,348		
8080K009	MIDDLE FORK	8,062,653			7,944,697		
8080K010	MONROE	9,268,072			8,532,667		
8080K011	POE	9,566,576			9,351,918		
8080K012	RICE	7,659,573			7,386,447		
8080K013	RILEY	5,412,600			5,177,393		
8080K014	TINGLEY	9,661,924			9,327,991		
8080K015	UNION	31,745,821			31,135,955		
8080K016 2	WASHINGTON - DIAGONAL FIRE	5,870,849			5,112,077		
8080K016 1	WASHINGTON - MT AYR FIRE	3,655,160			3,077,159		
8080K017 1	WAUBONSIE - DIAGONAL FIRE	449,448			440,817		
8080K017 2	WAUBONSIE - MT AYR FIRE	3,732,514			3,543,475		
	***TOTAL FOR ALL TOWNSHIPS	168,715,141			160,796,751		
8080C001	RINGGOLD COUNTY AG EXTENSION	206,646,500	4,601,988	211,248,488	195,523,316	4,601,988	200,125,304
8080L001	RINGGOLD COUNTY HOSPITAL	206,646,500	3,124,775	26,686,925	195,523,316	3,124,775	26,635,458
8080M001	SUN VALLEY SANITARY DISTRICT	23,562,150			23,510,683		

RINGGOLD COUNTY JANUARY 2002 NET TAXABLE VALUATIONS
 FOR FY2004 TAX LEVIES
 BY LEVY AUTHORITY, BY COUNTY

CODE	NAME	USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS			USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS		
		A	B	C	D	E	F
RURAL	RINGGOLD	VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PEPL RATES ONLY	VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PEPL TAXES ONLY
URBAN	RINGGOLD	168,715,141	3,124,775	171,839,916	160,796,751	3,124,775	163,921,526
	****TOTAL FOR COUNTY	38,005,832	1,402,631	39,408,463	34,801,038	1,402,631	36,203,669
8080D001	RINGGOLD COUNTY ASSESSOR	206,720,973	4,527,406	211,248,379	195,597,789	4,527,406	200,125,195
	****TOTAL FOR ALL ASSESSORS	206,720,973			195,597,789		
8080G751	BEACONSFIELD REGULAR	171,925		171,925	144,125		144,125
8080J751	BEACONSFIELD AGRICULTURAL	135,575			135,575		
8080G752	BENTON REGULAR	269,101		269,101	235,590		235,590
8080J752	BENTON AGRICULTURAL	100,739			100,739		
8087G840	CLEARFIELD REGULAR	92,666		92,666	92,666		92,666
8087J840	CLEARFIELD AGRICULTURAL	10,220			10,220		
8080G753	DELPHOS REGULAR	199,079		199,079	174,576		174,576
8080J753	DELPHOS AGRICULTURAL	199,866			199,866		
8080G754	DIAGONAL REGULAR	2,137,608	187,672	2,325,280	1,836,159	187,672	2,023,831
8080J754	DIAGONAL AGRICULTURAL	131,466			131,466		
8080G755	ELLSTON REGULAR	338,767		338,767	300,054		300,054
8080J755	ELLSTON AGRICULTURAL	49,808			49,808		
8080G756	KELLERTON REGULAR	1,958,755		1,958,755	1,774,575		1,774,575
8080J756	KELLERTON AGRICULTURAL	72,907			72,907		
8080G757	MALLOY REGULAR	212,483		212,483	180,476		180,476
8080J757	MALLOY AGRICULTURAL	146,420			146,420		
8080G758	MOUNT AYR REGULAR	29,239,653	1,214,959	30,454,612	26,927,231	1,214,959	28,142,190
8080J758	MOUNT AYR AGRICULTURAL	239,739			239,739		
8080G759	REDDING REGULAR	588,304		588,304	515,234		515,234
8080J759	REDDING AGRICULTURAL	140,343			140,343		
8088G852	SHANNON CITY REGULAR	70,851		70,851	55,819		55,819
8088J852	SHANNON CITY AGRICULTURAL	37,444			37,444		
8080G760	TINGLEY REGULAR	1,254,907		1,254,907	1,092,800		1,092,800
8080J760	TINGLEY AGRICULTURAL	207,206			207,206		
	****TOTAL FOR ALL CITIES	38,005,832	1,402,631	37,936,730	34,801,038	1,402,631	34,731,936
80870549	BEDFORD	2,812,960		2,812,960	2,767,049		2,767,049
80871224	CLEARFIELD	9,276,429		9,276,429	8,732,017		8,732,017
80881503	CRESTON	73,338		73,338	73,338		73,338
80801782	DIAGONAL	29,278,541	187,672	29,466,213	27,285,982	187,672	27,473,654
80881970	EAST UNION	2,383,755		2,383,755	2,144,634		2,144,634
80273465	LAMONI	3,748,999		3,748,999	3,699,179		3,699,179

FILED
MONTGOMERY CO
2003 JAN 21 AM 1
CONNIE MAGNESS
AUDITOR
COMMISSIONER OF ELE

RINGGOLD COUNTY JANUARY 1, 2002 NET TAXABLE VALUATIONS
FOR FY2003/2004 TAX LEVIES
BY LEVY AUTHORITY, BY COUNTY

CODE	NAME	USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS			USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS		
		A	B	C	D	E	F
80873609	LENOX	1,716,903			1,614,224		
80804527	MOUNT AYR	157,430,048	4,339,734	1,716,903	149,281,366	4,339,734	1,614,224
	****TOTAL FOR ALL K-12 SCHOOLS	206,720,973	4,527,406	161,769,782	195,597,789	4,527,406	153,621,100
8088F014	SOUTHWESTERN CC	206,720,973	4,527,406	211,248,379	195,597,789	4,527,406	200,125,195
	****TOTAL FOR ALL COMMUNITY COLLEGES	206,720,973	4,527,406	211,248,379	195,597,789	4,527,406	200,125,195
8080K001	ATHENS	8,380,676			8,043,724		
8080K002	BENTON	8,389,384			7,893,098		
8080K003 1	CLINTON - BEDFORD FIRE	2,467,370			2,421,764		
8080K003 2	CLINTON - MT AYR FIRE	4,118,213			3,999,536		
8080K004	GRANT	10,086,397			9,482,328		
8080K005	JEFFERSON	11,755,258			11,012,845		
8080K006	LIBERTY	11,103,877			10,109,642		
8080K007	LINCOLN	12,498,062			12,082,870		
8080K008	LOTTS CREEK	4,830,714			4,720,348		
8080K009	MIDDLE FORK	8,062,653			7,944,697		
8080K010	MONROE	9,268,072			8,532,667		
8080K011	POE	9,566,576			9,351,918		
8080K012	RICE	7,659,573			7,386,447		
8080K013	RILEY	5,412,600			5,177,393		
8080K014	TINGLEY	9,661,924			9,327,991		
8080K015	UNION	31,745,821			31,135,955		
8080K016 2	WASHINGTON - DIAGONAL FIRE	5,870,849			5,112,077		
8080K016 1	WASHINGTON - MT AYR FIRE	3,655,160			3,077,159		
8080K017 1	WAUBONSIE - DIAGONAL FIRE	449,448			440,817		
8080K017 2	WAUBONSIE - MT AYR FIRE	3,732,514			3,543,475		
	****TOTAL FOR ALL TOWNSHIPS	168,715,141			160,796,751		
8080C001	RINGGOLD COUNTY AG EXTENSION	206,720,973	4,527,406		195,597,789	4,527,406	200,125,195
8080L001	RINGGOLD COUNTY HOSPITAL	206,720,973	3,124,775		195,597,789	3,124,775	26,635,458
8080M001	SUN VALLEY SANITARY DISTRICT	23,562,150		211,248,379	23,510,683		
				26,686,925			

RINGGOLD COUNTY AUDITOR

Kimberly A. O'Mailia, Auditor/Commissioner of Elections

Renda Smith, Deputy Auditor - Laurie Cox, Deputy Auditor

109 W. Madison, Suite 201

Mount Ayr, IA 50854

641-464-3239 Fax-641-464-0663

rcauditor@heartland.net

FROM: Kimberly, O'Mailia, Auditor

DATE: January 27, 2003

RE: Valuations

Please disregard the 1st set of Taxable Valuations you received a few weeks ago. There has been a correction so please use the new values.

If you have any questions, please feel free to call me.

Sincerely,



Kimberly O'Mailia
Ringgold County Auditor

FILED
MONTGOMERY COUNTY
2003 FEB 10 AM 10:32
CONNIE MAGNUSON
AUDITOR
COMMISSIONER OF ELECTIONS

FILED
MONTGOMERY COUNTY
2003 FEB 11 AM 11:34

CODE
RURAL
URBAN
2020D001
2020G169
2020J169
2020G170
2020J170
2020G171
2020J171

CONNIE MAGNUSON
AMANDA
COMMISSIONER OF ELECTIONS
CLARKE
CLARKE
****TOTAL FOR COUNTY
CLARKE COUNTY ASSESSOR
****TOTAL FOR ALL ASSESSORS
MURRAY REGULAR
MURRAY AGRICULTURAL
OSCEOLA REGULAR
OSCEOLA AGRICULTURAL
WOODBURN REGULAR
WOODBURN AGRICULTURAL
****TOTAL FOR ALL CITIES

2020I1211
2088I1970
2061I3119
2093I4505
2020I4572
2077F011
2088F014
2020K001
2020K003
2020K004
2020K002
2020K005
2020K006
2020K007
2020K008
2020K009
2020K010
2020K011
2020K012
2020C001

CLARKE
EAST UNION
INTERSTATE 35
MORMON TRAIL
MURRAY
****TOTAL FOR ALL K-12 SCHOOLS
DES MOINES AREA CC
SOUTHWESTERN CC
****TOTAL FOR ALL COMMUNITY COLLEGES
DOYLE
FRANKLIN
FREMONT
GREEN BAY
JACKSON
KNOX
LIBERTY
MADISON
OSCEOLA
TROY
WARD
WASHINGTON
****TOTAL FOR ALL TOWNSHIPS
CLARKE COUNTY AG EXTENSION

USE FOR COMPUTING PROPERTY TAX RATES
INCLUDES GAS & ELECTRIC UTILITY VALUATIONS

A
VALUE FOR
COMPUTING
TAX RATES

B
APPLICABLE
INCREMENT
VALUE

C
FOR DEBT
SERVICE/PPE
L

USE FOR COMPUTING PROPERTY TAX DOLLARS
EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS

D
VALUE FOR
COMPUTING
TAXES LEVIED

E
APPLICABLE
INCREMENT
VALUE

F
FOR DEBT
SERVICE/PPEL
TAXES ONLY

CLARKE COUNTY JANUARY 1 12 NET TAXABLE VALUATIONS
 FOR FY2003/2004 TAX LEVIES
 BY LEVY AUTHORITY, BY COUNTY

USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS	
A	B
VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE
310,325,164	8,227,028

USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS	
A	B
VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE
310,325,164	8,227,028

CODE NAME
 2020L001 CLARKE COUNTY HOSPITAL

USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS	
D	E
VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE
298,401,775	8,227,028

FOR DEBT
 SERVICE/PPEL
 TAXES ONLY
 306,628,803

FILED
 MONTGOMERY COUNTY
 2003 FEB 31 AM 11:34
 CONNIE MAGNISON
 AUDITOR
 COMMISSIONER OF ELECTIONS

UNION COUNTY, JANUARY 2002 NET TAXABLE VALUATIONS
FOR FY2003/2004 TAX LEVIES
BY LEVY AUTHORITY, BY COUNTY

CODE	NAME	USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS			USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS		
		A	B	C	D	E	F
RURAL	UNION	VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PEEL RATES ONLY	VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PEEL TAXES ONLY
URBAN	UNION	183,371,703	183,371,703	183,371,703	165,012,148		165,012,148
8888D001	****TOTAL FOR COUNTY	148,149,118	24,013,909	172,163,027	139,129,427	24,013,909	163,143,336
	UNION COUNTY ASSESSOR	331,520,821	24,013,909	355,534,730	304,141,575	24,013,909	328,155,484
	****TOTAL FOR ALL ASSESSORS	331,520,821			304,141,575		
8888G846	AFTON REGULAR	9,207,083		9,207,083	8,883,723		8,883,723
8888J846	AFTON AGRICULTURAL	76,300			76,300		
8888G847	ARISPE REGULAR	1,044,899		1,044,899	972,645		972,645
8888J847	ARISPE AGRICULTURAL	73,140			73,140		
8888G848	CRESTON REGULAR	132,281,836	23,992,657	156,274,493	124,127,729	23,992,657	148,120,386
8888J848	CRESTON AGRICULTURAL	252,628			252,628		
8888G849	CROMWELL REGULAR	1,397,981		1,397,981	1,309,590		1,309,590
8888G850	KENT REGULAR	320,112		320,112	266,835		266,835
8888J850	KENT AGRICULTURAL	11,300			11,300		
8888G851	LORIMOR REGULAR	2,671,110		2,671,110	2,436,802		2,436,802
8888J851	LORIMOR AGRICULTURAL	75,550			75,550		
8888G852	SHANNON CITY REGULAR	348,931		348,931	304,071		304,071
8888J852	SHANNON CITY AGRICULTURAL	26,230			26,230		
8888G853	THAYER REGULAR	357,128		357,128	307,994		307,994
8888J853	THAYER AGRICULTURAL	4,890			4,890		
88881503	****TOTAL FOR ALL CITIES	148,149,118	23,992,657	171,621,737	139,129,427	23,992,657	162,602,046
88881970	CRESTON	232,721,653	24,013,909	256,735,562	210,730,643	24,013,909	234,744,552
88873609	EAST UNION	91,832,982		91,832,982	86,789,522		86,789,522
88204572	LENEX	1,028,025		1,028,025	946,257		946,257
88014978	MURRAY	2,661,349		2,661,349	2,604,651		2,604,651
	ORIENT-MACKSBURG	3,276,812		3,276,812	3,070,502		3,070,502
8888F014	****TOTAL FOR ALL K-12 SCHOOLS	331,520,821	24,013,909	355,534,730	304,141,575	24,013,909	328,155,484
	SOUTHWESTERN CC	331,520,821	24,013,909	355,534,730	304,141,575	24,013,909	328,155,484
	****TOTAL FOR ALL COMMUNITY COLLEGES	331,520,821	24,013,909	355,534,730	304,141,575	24,013,909	328,155,484
8888K001	DODGE	9,778,275			9,188,220		
8888K002	DOUGLAS	23,074,996			21,927,157		
8888K003	GRANT	12,398,971			11,509,509		
8888K004	HIGHLAND	22,505,575			21,230,835		
8888K005 2	JONES - A, F, D	3,085,384			2,977,427		
8888K005 1	JONES - L, F, D	8,893,600			8,385,101		

FILED
MONTGOMERY C
2003 JAN 21 AM
CONNIE MAGNES
AUDITOR
COMMISSIONER OF ELE

UNION COUNTY JANUARY 2002 NET TAXABLE VALUATIONS
 FOR FY2003/2004 TAX LEVIES
 BY LEVY AUTHORITY, BY COUNTY

CODE	NAME	USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS			USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS		
		A	B	C	D	E	F
		VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PEL RATES ONLY	VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PEL TAXES ONLY
8888K005 3	JONES - M. F D	2,940,213			2,871,105		
8888K006	LINCOLN	23,485,277			15,185,696		
8888K007	NEW HOPE	12,053,835			11,084,248		
8888K008	PLATTE	13,564,342			13,222,453		
8888K009	PLEASANT	8,344,462			8,163,853		
8888K010	SAND CREEK	10,157,018			9,632,705		
8888K011	SPAULDING	17,427,818			14,681,004		
8888K012	UNION	15,661,937			14,952,835		
	****TOTAL FOR ALL TOWNSHIPS	183,371,703			165,012,148		
8888C001	UNION COUNTY AG EXTENSION	331,520,821			304,141,575		
8888L001	UNION COUNTY GREATER COMMUNITY HOSP	331,520,821	24,013,909	355,534,730	304,141,575	24,013,909	328,155,484

FILED
 MONTGOMERY COUNTY
 2003 JAN 21 AM 12:40
 CONNIE MAGNESON
 AUDITOR
 COMMISSIONER OF ELECTIONS

UNION COUNTY JANUARY 1, 2002
 100% VALUATIONS BEFORE AND AFTER DEDUCTIONS FOR MILITARY SERVICE EXEMPTIONS
 (ANY TIF/GAS & ELECTRIC UTILITY VALUATION INCLUDED)
 (ANY CITY ANNEXATION TAXATION EXEMPT VALUE EXCLUDED FOR CITIES)
 FOR INFORMATION ONLY -- NOT FOR COMPUTING FY2003/2004 TAX LEVIES

CODE	NAME	100% VALUES MILITARY EXEMPTIONS NOT DEDUCTED	100% VALUES MILITARY EXEMPTIONS DEDUCTED
RURAL	UNION	220,717,146	220,283,778
URBAN	UNION	255,478,702	254,197,671
	****TOTAL FOR COUNTY	476,195,848	474,481,449
8888D001	UNION COUNTY ASSESSOR	476,195,848	474,481,449
	****TOTAL FOR ALL ASSESSORS	476,195,848	474,481,449
8888G846	AFTON REGULAR	15,015,738	14,895,358
8888J846	AFTON AGRICULTURAL	76,300	76,300
8888G847	ARISPE REGULAR	1,645,392	1,625,020
8888J847	ARISPE AGRICULTURAL	73,140	73,140
8888G848	CRESTON REGULAR	229,498,063	228,461,988
8888J848	CRESTON AGRICULTURAL	273,880	273,880
8888G849	CROMWELL REGULAR	2,479,274	2,457,050
8888G850	KENT REGULAR	558,874	553,318
8888J850	KENT AGRICULTURAL	11,300	11,300
8888G851	LORIMOR REGULAR	4,563,245	4,505,341
8888J851	LORIMOR AGRICULTURAL	75,550	75,550
8888G852	SHANNON CITY REGULAR	633,971	621,007
8888J852	SHANNON CITY AGRICULTURAL	26,230	26,230
8888G853	THAYER REGULAR	542,855	537,299
8888J853	THAYER AGRICULTURAL	4,890	4,890
	****TOTAL FOR ALL CITIES	255,478,702	254,197,671
8888I503	CRESTON	355,119,409	353,831,462
8888I970	EAST UNION	113,255,634	112,834,738
88873609	LENEX	1,181,266	1,179,414
88204572	MURRAY	2,841,357	2,837,653
88014978	ORIENT-MACKSBURG	3,798,182	3,798,182
	****TOTAL FOR ALL K-12 SCHOOLS	476,195,848	474,481,449
8888F014	SOUTHWESTERN CC	476,195,848	474,481,449
	****TOTAL FOR ALL COMMUNITY COLLEGES	476,195,848	474,481,449
8888K001	DODGE	11,346,118	11,322,042
8888K002	DOUGLAS	33,431,423	33,355,491
8888K003	GRANT	14,332,280	14,297,092
8888K004	HIGHLAND	26,375,211	26,343,727
8888K005 2	JONES - A. F D	3,771,182	3,760,070
8888K005 1	JONES - L. F D	9,761,751	9,745,083
8888K005 3	JONES - M. F D	3,433,341	3,424,081
8888K006	LINCOLN	27,523,498	27,486,458
8888K007	NEW HOPE	14,203,288	14,171,804
8888K008	PLATTE	15,668,773	15,642,845
8888K009	PLEASANT	9,256,411	9,236,039
8888K010	SAND CREEK	11,342,721	11,326,053
8888K011	SPALDING	21,093,959	21,051,363
8888K012	UNION	19,177,190	19,121,630
	****TOTAL FOR ALL TOWNSHIPS	220,717,146	220,283,778
8888C001	UNION COUNTY AG EXTENSION	476,195,848	474,481,449
8888L001	UNION COUNTY GREATER COMMUNITY HOSP	476,195,848	474,481,449

FOR FY2003/2004 TAX LEVIES
BY LEVY AUTHORITY, BY COUNTY

FILED
MONTGOMERY COUNTY
2003 JAN 21 AM 12:16

CONNIE M. MAGNUSON
AUDITOR
COMMISSIONER OF ELECTIONS

CODE

RURAL
URBAN

2727D001

DECATUR
DECATUR
****TOTAL FOR COUNTY
DECATUR COUNTY ASSESSOR
****TOTAL FOR ALL ASSESSORS

2727G246

DAVIS CITY REGULAR

2727J246

DAVIS CITY AGRICULTURAL

2727G247

DECATUR REGULAR

2727J247

DECATUR AGRICULTURAL

2727G248

GARDEN GROVE REGULAR

2727J248

GARDEN GROVE AGRICULTURAL

2727G249

GRAND RIVER REGULAR

2727G250

LAMONI REGULAR

2727J250

LAMONI AGRICULTURAL

2727G252

LE ROY REGULAR

2727J252

LE ROY AGRICULTURAL

2727G251

LEON REGULAR

2727J251

LEON AGRICULTURAL

2727G253

PLEASANTON REGULAR

2727J253

PLEASANTON AGRICULTURAL

2727G254

VAN WERT REGULAR

2727J254

VAN WERT AGRICULTURAL

2727G255

WELDON REGULAR

2727J255

****TOTAL FOR ALL CITIES

2727I093

CENTRAL DECATUR

2720I211

CLARKE

2727J3465

LAMONI

2793J3705

LINEVILLE-CLIO

2793J4505

MORMON TRAIL

2780J4527

MOUNT AYO

2720J4572

MURRAY

2790F015

****TOTAL FOR ALL K-12 SCHOOLS

2788F014

INDIAN HILLS CC

2788F014

SOUTHWESTERN CC

****TOTAL FOR ALL COMMUNITY COLLEGES

2788F014

INDIAN HILLS CC

2788F014

SOUTHWESTERN CC

****TOTAL FOR ALL COMMUNITY COLLEGES

2788F014

INDIAN HILLS CC

2788F014

SOUTHWESTERN CC

****TOTAL FOR ALL COMMUNITY COLLEGES

2788F014

INDIAN HILLS CC

2788F014

SOUTHWESTERN CC

****TOTAL FOR ALL COMMUNITY COLLEGES

2788F014

USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS				USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS			
A	B	C	D	E	F		
VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PP&L RATES ONLY	VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PP&L TAXES ONLY		
154,751,047	723,687	154,751,047	146,438,458		146,438,458		
66,116,114		66,839,801	62,921,733	723,687	63,645,420		
220,867,161	723,687	221,590,848	209,360,191	723,687	210,083,878		
220,867,161			209,360,191				
2,194,858		2,194,858	2,035,413		2,035,413		
115,290			115,290				
2,173,420		2,173,420	2,041,734		2,041,734		
34,933			34,933				
1,539,978		1,539,978	1,396,672		1,396,672		
75,081			75,081				
1,485,659		1,485,659	1,319,202		1,319,202		
27,837,541	723,687	28,561,228	27,837,541	723,687	28,561,228		
532,808			532,808				
118,708		118,708	94,009		94,009		
103,111			103,111				
26,188,609		26,188,609	23,885,315		23,885,315		
419,670			419,670				
406,344		406,344	362,507		362,507		
51,380			51,380				
1,793,474		1,793,474	1,684,256		1,684,256		
22,383			22,383				
1,022,867		1,022,867	910,428		910,428		
66,116,114	723,687	65,485,145	62,921,733	723,687	62,921,733		
116,249,885		116,249,885	108,341,807		108,341,807		
13,085,298		13,085,298	12,534,280		12,534,280		
56,435,970	723,687	57,159,657	55,348,924	723,687	56,072,611		
4,869,436		4,869,436	4,660,806		4,660,806		
26,479,260		26,479,260	25,069,281		25,069,281		
1,307,735		1,307,735	1,123,443		1,123,443		
2,439,577		2,439,577	2,281,650		2,281,650		
220,867,161	723,687	221,590,848	209,360,191	723,687	210,083,878		
4,869,436		4,869,436	4,660,806		4,660,806		
215,997,725	723,687	216,721,412	204,699,385	723,687	205,423,072		
220,867,161	723,687	221,590,848	209,360,191	723,687	210,083,878		

FOR FY2003/2004 TAX LEVIES
BY LEVY AUTHORITY, BY COUNTY

USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS	
A	B
VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE

NAME

CODE

2727K001 BLOOMINGTON
2727K002 BURRELL
2727K003 CENTER
2727K004 DECATUR
2727K005 EDEN
2727K006 FAYETTE
2727K007 FRANKLIN
2727K008 GARDEN GROVE
2727K009 GRAND RIVER
2727K010 HAMILTON
2727K011 HIGH POINT
2727K012 LONG CREEK
2727K013 MORGAN
2727K014 NEW BUDA
2727K015 RICHLAND
2727K016 WOODLAND

****TOTAL FOR ALL TOWNSHIPS
2727C001 DECATUR COUNTY AG EXTENSION
2727L001 DECATUR COUNTY HOSPITAL

USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS	
A	B
VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE

9,987,216
9,875,441
11,975,796
12,621,563
12,345,424
10,049,071
13,987,835
12,491,662
9,321,831
5,187,835
9,314,933
8,952,982
4,766,112
8,423,322
8,294,143
7,155,881
154,751,047
220,867,161
220,867,161

USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS	
D	E
VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE

9,183,893
9,647,763
11,285,796
12,121,072
11,840,643
9,905,858
13,092,871
11,723,175
7,595,981
4,909,581
8,988,725
8,628,254
4,529,514
8,195,441
7,729,577
7,060,314
146,438,458
209,360,191
209,360,191

F

FOR DEBT
SERVICE/PP&L
TAXES ONLY

FILED
MONTGOMERY COUNTY
2003 JAN 21 AM 12:16
723,687 CONNIE MAGNESON
AUDITOR
COMMISSIONER OF ELECTIONS
20,083,878

BY LEVY AUTHORITY, BY COUNTY

USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS	
A	B

VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PEL RATES ONLY
49,576,085		
24,057,509		
17,851,104		
84,356,821		
28,620,256		
23,032,283		
15,679,058		
10,078,733		
26,212,250		
413,156,933		
564,628,240		

CODE NAME

6565K005 INDIAN CREEK
6565K006 INGRAHAM
6565K007 LYONS
6565K008 OAK
6565K009 PLATTVILLE
6565K010 RAWLES
6565K011 SILVER CREEK
6565K012 ST MARYS
6565K013 WHITE CLOUD

****TOTAL FOR ALL TOWNSHIPS
6565C001 MILLS COUNTY AG EXTENSION

USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS		
D	E	F
VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PEEL TAXES ONLY
46,895,456		
22,707,845		
16,629,791		
81,613,200		
27,676,384		
21,293,089		
14,767,372		
9,637,903		
23,273,542		
389,738,533		
535,961,638		

David G. Hatcher

MILLS COUNTY JANUARY 1, 2002
 100% VALUATIONS BEFORE AND AFTER DEDUCTIONS FOR MILITARY SERVICE EXEMPTIONS
 (ANY TIF/GAS & ELECTRIC UTILITY VALUATION INCLUDED)
 (ANY CITY ANNEXATION TAXATION EXEMPT VALUE EXCLUDED FOR CITIES)
 FOR INFORMATION ONLY -- NOT FOR COMPUTING FY2003/2004 TAX LEVIES

CODE	NAME	100% VALUES MILITARY EXEMPTIONS NOT DEDUCTED	100% VALUES MILITARY EXEMPTIONS DEDUCTED
RURAL	MILLS	559,477,488	558,720,981
URBAN	MILLS	260,309,259	259,281,946
	****TOTAL FOR COUNTY	819,786,747	818,002,927
6565D001	MILLS COUNTY ASSESSOR	819,786,747	818,002,927
	****TOTAL FOR ALL ASSESSORS	819,786,747	818,002,927
6565G616	EMERSON REGULAR	12,905,559	12,827,775
6565J616	EMERSON AGRICULTURAL	7,471	7,471
6565G617	GLENWOOD REGULAR	178,797,417	178,206,629
6565J617	GLENWOOD AGRICULTURAL	106,036	106,036
6565G618	HASTINGS REGULAR	4,629,380	4,594,192
6565J618	HASTINGS AGRICULTURAL	122,017	122,017
6565G619	HENDERSON REGULAR	3,895,704	3,866,072
6565J619	HENDERSON AGRICULTURAL	5,381	5,381
6565G620	MALVERN REGULAR	35,859,959	35,691,974
6565J620	MALVERN AGRICULTURAL	511,193	511,193
6565G621	PACIFIC JUNCTION REGULAR	12,175,047	12,117,635
6565J621	PACIFIC JUNCTION AGRICULTURAL	152,917	152,917
6565G622	SILVER CITY REGULAR	8,445,203	8,397,051
6565J622	SILVER CITY AGRICULTURAL	19,756	19,756
6536G344	TABOR REGULAR	2,670,894	2,650,522
6536J344	TABOR AGRICULTURAL	5,325	5,325
	****TOTAL FOR ALL CITIES	260,309,259	259,281,946
65362369	FREMONT-MILLS	28,082,440	28,026,880
65652511	GLENWOOD	526,541,936	525,303,909
65783645	LEWIS CENTRAL	13,079,080	13,066,116
65653978	MALVERN	127,595,906	127,335,321
65654751	NISHNA VALLEY	116,166,843	115,957,567
65735976	SHENANDOAH	4,264,808	4,259,252
65786453	TREYNOR	4,055,734	4,053,882
	****TOTAL FOR ALL K-12 SCHOOLS	819,786,747	818,002,927
6578F013	IOWA WESTERN CC	819,786,747	818,002,927
	****TOTAL FOR ALL COMMUNITY COLLEGES	819,786,747	818,002,927
6565K001	ANDERSON	37,156,961	37,112,513
6565K002	CENTER	45,769,413	45,723,113
6565K003	DEER CREEK	24,256,186	24,228,406
6565K004	GLENWOOD	75,785,131	75,643,453
6565K005	INDIAN CREEK	54,785,268	54,761,192
6565K006	INGRAHAM	29,024,354	28,991,018
6565K007	LYONS	22,847,213	22,821,285
6565K008	OAK	140,302,962	140,023,310
6565K009	PLATTVILLE	38,139,775	38,095,362
6565K010	RAWLES	29,639,912	29,593,612
6565K011	SILVER CREEK	20,153,346	20,123,714
6565K012	ST MARYS	12,126,905	12,121,349
6565K013	WHITE CLOUD	29,490,062	29,482,654
	****TOTAL FOR ALL TOWNSHIPS	559,477,488	558,720,981
6565C001	MILLS COUNTY AG EXTENSION	819,786,747	818,002,927

CLARKE COUNTY JANUARY 1, 2003 NET TAXABLE VALUATIONS
FOR FY2003/2004 TAX LEVIES
BY LEVY AUTHORITY, BY COUNTY

USE FOR COMPUTING PROPERTY TAX RATES
INCLUDES GAS & ELECTRIC UTILITY VALUATIONS
A B C

CODE	NAME	VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PPE L
RURAL	CLARKE	161,676,896		
URBAN	CLARKE	148,272,388	8,227,028	161,676,896
2020D001	***TOTAL FOR COUNTY	309,949,284	8,227,028	156,499,416
	CLARKE COUNTY ASSESSOR	309,949,284		318,176,312
2020G169	***TOTAL FOR ALL ASSESSORS	309,949,284		
2020J169	MURRAY REGULAR	8,692,441		8,692,441
2020G170	MURRAY AGRICULTURAL	150,380		
2020J170	OSCEOLA REGULAR	137,021,422	8,227,028	145,248,450
2020G171	OSCEOLA AGRICULTURAL	641,830		
2020J171	WOODBURN REGULAR	1,692,445		1,692,445
	WOODBURN AGRICULTURAL	73,870		
2020I121	***TOTAL FOR ALL CITIES	148,272,388		
2088I970	CLARKE	244,460,116	8,227,028	155,633,336
2061I3119	EAST UNION	1,782,172	8,227,028	252,687,144
2093I4505	INTERSTATE 35	9,960,146		1,782,172
2020I4572	MORMON TRAIL	6,407,604		9,960,146
	MURRAY	47,339,246		6,407,604
2077F011	***TOTAL FOR ALL K-12 SCHOOLS	309,949,284	8,227,028	47,339,246
2088F014	DES MOINES AREA CC	9,960,146		318,176,312
	SOUTHWESTERN CC	299,989,138	8,227,028	9,960,146
2020K001	***TOTAL FOR ALL COMMUNITY COLLEGES	309,949,284		308,216,166
2020K003	DOYLE	9,331,767		318,176,312
2020K004	FRANKLIN	9,934,916		
2020K002	FREMONT	15,597,008		
2020K005	GREEN BAY	14,069,927		
2020K006	JACKSON	15,610,806		
2020K007	KNOX	10,338,625		
2020K008	LIBERTY	13,565,861		
2020K009	MADISON	10,202,462		
2020K010	OSCEOLA	20,101,663		
2020K011	TROY	17,126,621		
2020K012	WARD	15,703,303		
	WASHINGTON	10,093,937		
2020C001	***TOTAL FOR ALL TOWNSHIPS	161,676,896		
	CLARKE COUNTY AG EXTENSION	309,949,284		

USE FOR COMPUTING PROPERTY TAX DOLLARS
EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS
D E F

VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PPE TAXES ONLY
154,566,230		154,566,230
143,459,665	8,227,028	151,686,693
298,025,895	8,227,028	306,252,923
298,025,895		
298,025,895		
8,308,582		8,308,582
150,380		
132,706,648	8,227,028	140,933,676
641,830		
1,578,355		1,578,355
73,870		
143,459,665	8,227,028	150,820,613
235,962,851	8,227,028	244,189,879
1,708,633		1,708,633
9,607,653		9,607,653
6,314,082		6,314,082
44,432,676		44,432,676
298,025,895	8,227,028	306,252,923
9,607,653		9,607,653
288,418,242	8,227,028	296,645,270
298,025,895	8,227,028	306,252,923
8,749,477		
9,762,031		
15,263,181		
13,891,854		
14,755,901		
10,165,270		
12,970,230		
9,319,639		
19,204,709		
16,174,406		
14,684,855		
9,624,677		
154,566,230		
298,025,895		

FILED
MONTGOMERY COUNTY
2003 JAN 21 AM 12:06
CONNIE MAGNESON
AUDITOR
COMMISSIONER OF ELECTIONS

CLARKE COUNTY JANUARY 1, 2003 NET TAXABLE VALUATIONS
 FOR FY2003/2004 TAX LEVIES
 BY LEVY AUTHORITY, BY COUNTY

USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS		C	
A	B	L	
VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PPE	
309,949,284	8,227,028	318,176,312	

USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS		F	
D	E	TAXES ONLY	
VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PPE	
298,025,895	8,227,028	306,252,923	

CODE NAME
 2020L001 CLARKE COUNTY HOSPITAL

FILED
 MONTGOMERY COUNTY
 2003 JAN 21 AM 12:06
 CONNIE MAGNESON
 AUDITOR
 COMMISSIONER OF ELECTIONS

FOR FY2003/2004 TAX LEVIES

BY LEVY AUTHORITY, BY COUNTY

FILED
MONTGOMERY COUNTY

2003 JAN -9 AM 5:27

CONNIE MAGNUSON
ALIAS NAME

COMMISSIONER OF ELECTIONS

WAYNE
WAYNE

****TOTAL FOR COUNTY

WAYNE COUNTY ASSESSOR

****TOTAL FOR ALL ASSESSORS

ALLERTON REGULAR

ALLERTON AGRICULTURAL

CLIO REGULAR

CLIO AGRICULTURAL

CORYDON REGULAR

CORYDON AGRICULTURAL

HUMESTON REGULAR

HUMESTON AGRICULTURAL

LINEVILLE REGULAR

LINEVILLE AGRICULTURAL

MILLERTON REGULAR

MILLERTON AGRICULTURAL

PROMISE CITY REGULAR

PROMISE CITY AGRICULTURAL

SEYMOUR REGULAR

SEYMOUR AGRICULTURAL

****TOTAL FOR ALL CITIES

LINEVILLE-CLIO

MORMON TRAIL

RUSSELL

SEYMOUR

WAYNE

****TOTAL FOR ALL K-12 SCHOOLS

INDIAN HILLS CC

SOUTHWESTERN CC

****TOTAL FOR ALL COMMUNITY COLLEGES

BENTON

CLAY

CLINTON

CORYDON

GRAND RIVER

USE FOR COMPUTING PROPERTY TAX RATES
INCLUDES GAS & ELECTRIC UTILITY VALUATIONS

A B C

VALUE FOR
COMPUTING
TAX RATES

178,243,926

46,742,953

224,986,879

224,986,879

224,986,879

3,411,257

215,060

804,538

229,234

24,210,839

77,969

6,035,552

24,467

2,861,364

182,065

529,228

42,774

870,634

12,388

6,822,540

413,044

46,742,953

23,952,104

26,908,125

1,744,836

48,458,680

123,923,134

224,986,879

198,078,754

26,908,125

224,986,879

13,918,301

11,386,650

4,374,212

12,596,428

13,244,174

APPLICABLE
INCREMENT
VALUE

7,786,241

7,786,241

7,211,636

574,253

10,622,893

804,538

24,785,092

6,035,552

2,861,364

529,228

870,634

6,822,540

53,331,841

23,952,104

26,908,125

1,744,836

48,458,680

131,709,375

232,773,120

205,864,995

26,908,125

232,773,120

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VALUE FOR
COMPUTING
TAXES LEVIED

171,819,946

42,683,226

214,503,172

214,503,172

214,503,172

3,013,296

215,060

782,231

229,234

22,236,064

77,969

5,678,553

24,467

2,829,481

182,065

488,604

42,774

785,061

12,388

5,672,935

413,044

42,683,226

23,669,140

25,439,122

1,714,756

45,875,898

117,804,256

214,503,172

189,064,050

25,439,122

214,503,172

13,508,977

10,672,561

4,312,603

11,895,371

13,116,285

APPLICABLE
INCREMENT
VALUE

7,786,241

7,786,241

7,211,636

574,253

10,622,893

804,538

24,785,092

6,035,552

2,861,364

529,228

870,634

6,822,540

53,331,841

23,952,104

26,908,125

1,744,836

48,458,680

131,709,375

232,773,120

205,864,995

26,908,125

232,773,120

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USE FOR COMPUTING PROPERTY TAX DOLLARS
EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS

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VALUE FOR
COMPUTING
TAXES LEVIED

171,819,946

42,683,226

214,503,172

214,503,172

214,503,172

3,013,296

215,060

782,231

229,234

22,236,064

77,969

5,678,553

24,467

2,829,481

182,065

488,604

42,774

785,061

12,388

5,672,935

413,044

42,683,226

23,669,140

25,439,122

1,714,756

45,875,898

117,804,256

214,503,172

189,064,050

25,439,122

214,503,172

13,508,977

10,672,561

4,312,603

11,895,371

13,116,285

APPLICABLE
INCREMENT
VALUE

7,786,241

7,786,241

7,211,636

574,253

10,622,893

804,538

24,785,092

6,035,552

2,861,364

529,228

870,634

6,822,540

53,331,841

23,952,104

26,908,125

1,744,836

48,458,680

131,709,375

232,773,120

205,864,995

26,908,125

232,773,120

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WAYNE COUNTY JANUARY 1 2003
 FOR FY2003 TAX LEVIES
 BY LEVY AUTHORITY, BY COUNTY

FILED
 MONTGOMERY COUNTY
 2003 JAN -9 AM 5:27

CODE CONNIE MAGNISON
 9393K006 AUDITOR
 9393K007 COMMISSIONER OF ELECTIONS
 9393K008 JACKSON
 9393K009 JEFFERSON
 9393K010 MONROE
 9393K011 RICHMAN
 9393K012 SOUTH FORK
 9393K013 UNION
 9393K014 WALNUT
 9393K015 WARREN
 9393K016 WASHINGTON
 WRIGHT
 *****TOTAL FOR ALL TOWNSHIPS
 9393C001 WAYNE COUNTY AG EXTENSION
 9393L001 WAYNE COUNTY HOSPITAL

USE FOR COMPUTING PROPERTY TAX RATES
 INCLUDES GAS & ELECTRIC UTILITY VALUATIONS

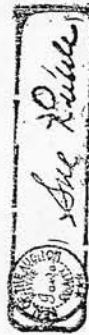
A B C

VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PPEL RATES ONLY
5,457,111		
12,174,066		
9,087,423		
5,104,265		
14,621,612		
9,359,038		
14,576,179		
13,382,126		
15,326,037		
11,638,774		
11,997,530		
178,243,926		
224,986,879		
224,986,879		
	7,786,241	232,773,120

USE FOR COMPUTING PROPERTY TAX DOLLARS
 EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS

D E F

VALUE FOR COMPUTING TAXES/LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PPEL TAXES ONLY
5,397,449		
11,900,141		
8,815,754		
5,040,423		
13,935,145		
8,933,241		
13,842,273		
12,776,327		
15,069,049		
11,184,283		
11,420,064		
171,819,946		
214,503,172		
214,503,172	7,786,241	222,289,413



2003 JAN -9 AM 5:26

MADISON COUNTY JANUARY 1, 2004 NET TAXABLE VALUATIONS
FOR FY2003/2004 TAX LEVIES
BY LEVY AUTHORITY, BY COUNTY

CODE : CONNIE MAGNESAON NAME
RURAL AUDITOR
COMMISSIONER OF ELECTIONS

****TOTAL FOR COUNTY.

6161D001 MADISON COUNTY ASSESSOR

*****TOTAL FOR ALL ASSESSORS

6161G576 BEVINGTON REGULAR

6161J576
BEVINGTON AGRICULTURAL COLLEGE

6161G577 EARLHAM REGULAR

6161J577 EARLHAM AGRICULTURAL COLLEGE

6161G578 EAST PERU REGULAR

6161J578 EAST PERU AGRICUL
6161G570 MA GYRIN

6161 G579 MACKSBURG REGULAR
6161 J579 MACKSBURG REGULAR

0101379 MACKSBURG AGRICULTURAL
6161G580 PATTERSON BECULAR

6161G380 PATTERSON REGULAR
6161J580 PATTERSON AGRICULTURAL

6161G581
TATIEKSON AGRICULTURAL
SAINT CHARLES REGUIAR

6161J581
SAINT CHARLES AGRICULTURAL
SAINT CHARLES REGULAR

6161G582
TRURO REGULAR

6161J582
TRURO AGRICULTUR

6161G583 WINTERSET REGULAR

6161J583 WINTERSET AGRICULTURAL

***TOTAL FOR ALL CITIES

61250027 ADEL-DESOTO-MINIBIRN (A

61611953 EARLHAM
DEBORAH WINBORN (ADEL-DES010)

61881970 EAST UNIO

61613119 INTERSTATE

61914122 MARTENSDALE
61012673

61012673 NODAWAY VAL
61014078 ORIENTAL VAL

610149/8 ORIENT-MACKSBURG
61256615 · VAN METER

01238613	VAN METER
61617056	WINTER GFT

0101/036 WINTERSET
 TOTAL FOR ALL 12 COUNTRIES

6177E011 ***** TOTAL FOR ALL K-12 SCHOOLS *****

6177F011 DES MOINES AREA CC
6188F014 SOLITON CENTER

0188F014 SOUTHWESTERN CC

CODE	COBIE MAGNISON NAME AUDITOR COMMISSIONER OF ELECTIONS	VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PP&L RATES ONLY	VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PP&L TAXES ONLY
RURAL							
URBAN	MADISON	350,188,039		350,188,039	325,946,932		325,946,932
6161D001	***TOTAL FOR COUNTY	145,518,038	23,293,026	168,811,064	141,885,382	23,293,026	165,178,408
	MADISON COUNTY ASSESSOR	495,706,077 ✓	23,293,026 ✓	518,999,103 ✓	467,832,314 ✓	23,293,026 ✓	491,125,340
	***TOTAL FOR ALL ASSESSORS	495,706,077			467,832,314		
6161G576	BEVINGTON REGULAR	808,249		808,249	755,874		755,874
6161J576	BEVINGTON AGRICULTURAL	12,180			12,180		
6161G577	EARLHAM REGULAR	27,058,127	445,409	27,503,536	25,961,151	445,409	26,406,560
6161J577	EARLHAM AGRICULTURAL	144,590			144,590		
6161G578	EAST PERU REGULAR	982,620		982,620	912,630		912,630
6161J578	EAST PERU AGRICULTURAL	184,948			184,948		
6161G579	MACKSBURG REGULAR	1,719,028		1,719,028	1,595,713		1,595,713
6161J579	MACKSBURG AGRICULTURAL	526,100			526,100		
6161G580	PATTERSON REGULAR	1,434,817		1,434,817	1,317,616		1,317,616
6161J580	PATTERSON AGRICULTURAL	82,300			82,300		
6161G581	SAINT CHARLES REGULAR	10,405,002		10,405,002	9,989,702		9,989,702
6161J581	SAINT CHARLES AGRICULTURAL	124,760			124,760		
6161G582	TRURO REGULAR	6,121,055		6,121,055	5,839,836		5,839,836
6161J582	TRURO AGRICULTURAL	269,150			269,150		
6161G583	WINTERSET REGULAR	95,194,102	22,832,257	118,026,359	93,717,822	22,832,257	116,550,079
6161J583	WINTERSET AGRICULTURAL	451,010			451,010		
	***TOTAL FOR ALL CITIES	145,518,038	23,277,666	167,000,666	141,885,382	23,277,666	163,368,010
61250027	ADEL-DESOTO-MINBURN (ADEL-DESOTO)	5,895,517		5,895,517	5,536,076		5,536,076
6161I953	EARLHAM	84,959,450	445,409	85,404,859	79,168,930	445,409	79,614,339
6188I970	EAST UNION	5,182,087		5,182,087	4,288,742		4,288,742
61613119	INTERSTATE 35	62,720,001		62,720,001	58,989,532		58,989,532
61914122	MARTENSDALE-ST MARYS	18,084,927		18,084,927	17,263,512		17,263,512
61012673	NODAWAY VALLEY (GREENFIELD)	184,561		184,561	140,974		140,974
61014978	ORIENT-MACKSBURG	22,160,419		22,160,419	19,967,079		19,967,079
61256615	VAN METER	17,806,511		17,806,511	15,966,720		15,966,720
61617056	WINTERSET	278,712,604	22,847,617	301,560,221	266,510,749	22,847,617	289,358,366
	***TOTAL FOR ALL K-12 SCHOOLS	495,706,077	23,293,026	518,999,103	467,832,314	23,293,026	491,125,340
6177F011	DES MOINES AREA CC	468,179,010	23,293,026	491,472,036	443,435,519	23,293,026	466,728,545
6188F014	SOUTHWESTERN CC	27,527,067		27,527,067	24,396,795		24,396,795

MADISON COUNTY JANUARY 1, 2004
 2 NET TAXABLE VALUATIONS
 FOR FY2003/2004 TAX LEVIES
 BY LEVY AUTHORITY, BY COUNTY

USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS		
A	B	C

USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS		
D	E	F

CODE	NAME	VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PP&L RATES ONLY	VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	FOR DEBT SERVICE/PP&L TAXES ONLY
****TOTAL FOR ALL COMMUNITY COLLEGES							
6161K001 2	CRAWFORD - MARTENSDALE FIRE	495,706,077	23,293,026	518,999,103	467,832,314	23,293,026	491,125,340
6161K001 1	CRAWFORD - WINTERSET FIRE	6,994,170			6,626,274		
6161K002 2	DOUGLAS - EARLHAM FIRE	12,332,274			11,273,094		
6161K002 1	DOUGLAS - WINTERSET FIRE	4,905,438			4,728,612		
6161K003 1	GRAND RIVER - ORIENT FIRE	27,726,033			26,609,951		
6161K004 2	JACKSON - EARLHAM FIRE	14,980,774			13,023,902		
6161K004 1	JACKSON - WINTERSET FIRE	8,324,891			7,824,662		
6161K005 1	JEFFERSON - VAN METER FIRE	11,099,551			10,824,631		
6161K005 2	JEFFERSON - WINTERSET FIRE	13,791,831			11,936,308		
6161K006 4	LEE - MARTENSDALE FIRE	10,536,180			10,034,058		
6161K006 1	LEE - NORWALK FIRE	6,919,595			6,502,361		
6161K006 2	LEE - VAN METER FIRE	7,906,898			7,282,299		
6161K006 3	LEE - WINTERSET FIRE	5,118,838			4,872,144		
6161K007 1	LINCOLN - WINTERSET FIRE	7,728,776			7,309,397		
6161K008 1	MADISON - EARLHAM FIRE	21,882,064			21,163,934		
6161K009 1	MONROE - LOR FIRE	23,669,563			22,801,570		
6161K010 1	OHIO - TRURO FIRE	17,050,554			15,421,497		
6161K011 2	PENN - DEXTER FIRE	18,744,014			17,506,935		
6161K011 1	PENN - EARLHAM FIRE	2,224,984			2,224,984		
6161K012 1	SCOTT - WINTERSET FIRE	24,069,779			20,658,803		
6161K013 1	SOUTH - ST. CHARLES FIRE	25,525,459			23,586,541		
6161K014 1	UNION - WINTERSET FIRE	23,093,322			22,550,792		
6161K015 2	WALNUT - LOR FIRE	25,272,772			23,661,734		
6161K015 4	WALNUT - PERU FIRE	2,995,923			1,719,808		
6161K015 3	WALNUT - TRURO FIRE	10,416,499			10,198,732		
6161K016 1	WEBSTER - WINTERSET FIRE	3,415,449			2,496,561		
****TOTAL FOR ALL TOWNSHIPS							
6161C001	MADISON COUNTY AG EXTENSION	13,462,408			13,107,348		
6161L001	MADISON COUNTY MEMORIAL HOSPITAL	350,188,039			325,946,932		
6161P001	BADGER CREEK WATERSHED	495,706,077	23,293,026	518,999,103	467,832,314	23,293,026	491,125,340
		27,275,097			27,275,097		

MADISON COUNTY JANUARY 1, 2002

100% VALUATIONS BEFORE AND AFTER DEDUCTIONS FOR MILITARY SERVICE EXEMPTIONS

(ANY TIF/GAS & ELECTRIC UTILITY VALUATION INCLUDED)

(ANY CITY ANNEXATION TAXATION EXEMPT VALUE EXCLUDED FOR CITIES)

FOR INFORMATION ONLY -- NOT FOR COMPUTING FY2003/2004 TAX LEVIES

100% For DEBTSvc or Bonding ONLY100% VALUES
MILITARY EXEMPTIONS
NOT DEDUCTED100% VALUES
MILITARY EXEMPTION
DEDUCTED

Do Not Use For Budgeting

CODE	NAME	100% VALUES MILITARY EXEMPTIONS NOT DEDUCTED	100% VALUES MILITARY EXEMPTION DEDUCTED
RURAL	MADISON	466,993,737	466,172,375
URBAN	MADISON	270,087,795	269,189,575
	****TOTAL FOR COUNTY	737,081,532	735,361,950
6161D001	MADISON COUNTY ASSESSOR	737,081,532	735,361,950
	****TOTAL FOR ALL ASSESSORS	737,081,532	735,361,950
6161G576	BEVINGTON REGULAR	1,256,558	1,252,854
6161J576	BEVINGTON AGRICULTURAL	12,180	12,180
6161G577	EARLHAM REGULAR	45,955,393	45,816,493
6161J577	EARLHAM AGRICULTURAL	144,590	144,590
6161G578	EAST PERU REGULAR	1,811,031	1,790,659
6161J578	EAST PERU AGRICULTURAL	186,800	184,948
6161G579	MACKSBURG REGULAR	2,785,104	2,766,584
6161J579	MACKSBURG AGRICULTURAL	526,100	526,100
6161G580	PATTERSON REGULAR	2,628,881	2,612,213
6161J580	PATTERSON AGRICULTURAL	82,300	82,300
6161G581	SAINT CHARLES REGULAR	18,852,624	18,760,024
6161J581	SAINT CHARLES AGRICULTURAL	124,760	124,760
6161G582	TRURO REGULAR	10,682,803	10,640,207
6161J582	TRURO AGRICULTURAL	269,150	269,150
6161G583	WINTERSET REGULAR	184,303,151	183,740,143
6161J583	WINTERSET AGRICULTURAL	466,370	466,370
	****TOTAL FOR ALL CITIES	270,087,795	269,189,575
61250027	ADEL-DESOTO-MINBURN (ADEL-DESOTO)	7,627,992	7,620,584
61611953	EARLHAM	117,571,923	117,322,829
61881970	EAST UNION	6,313,669	6,302,557
61613119	INTERSTATE 35	95,523,286	95,218,632
61914122	MARTENSDALE-ST MARYS	28,072,499	28,026,199
61012673	NODAWAY VALLEY (GREENFIELD)	258,457	256,605
61014978	ORIENT-MACKSBURG	26,183,959	26,139,511
61256615	VAN METER	24,163,080	24,133,448
61617056	WINTERSET	431,366,667	430,341,585
	****TOTAL FOR ALL K-12 SCHOOLS	737,081,532	735,361,950
6177F011	DES MOINES AREA CC	704,325,447	702,663,277
6188F014	SOUTHWESTERN CC	32,756,085	32,698,673
	****TOTAL FOR ALL COMMUNITY COLLEGES	737,081,532	735,361,950
6161K001 2	CRAWFORD - MARTENSDALE FIRE	10,596,025	10,573,801
6161K001 1	CRAWFORD - WINTERSET FIRE	16,674,926	16,639,738
6161K002 2	DOUGLAS - EARLHAM FIRE	6,497,438	6,484,474
6161K002 1	DOUGLAS - WINTERSET FIRE	34,551,390	34,514,350
6161K003 1	GRAND RIVER - ORIENT FIRE	17,132,667	17,110,443
6161K004 2	JACKSON - EARLHAM FIRE	9,925,253	9,912,289
6161K004 1	JACKSON - WINTERSET FIRE	13,608,071	13,583,069
6161K005 1	JEFFERSON - VAN METER FIRE	17,724,410	17,702,186
6161K005 2	JEFFERSON - WINTERSET FIRE	15,728,226	15,698,594
6161K006 4	LEE - MARTENSDALE FIRE	11,158,816	11,140,296
6161K006 1	LEE - NORWALK FIRE	12,156,324	12,137,804
6161K006 2	LEE - VAN METER FIRE	7,155,333	7,149,777
6161K006 3	LEE - WINTERSET FIRE	11,097,955	11,084,991
6161K007 1	LINCOLN - WINTERSET FIRE	29,959,550	29,896,582

FILED
MONTGOMERY COUNTY
2003 JAN -9 AM 5:26
COMMISSIONER OF ELECTIONS
CONNIE MAGNUSON
AUDITOR

MADISON COUNTY JANUARY 1, 2002
 100% VALUATIONS BEFORE AND AFTER DEDUCTIONS FOR MILITARY SERVICE EXEMPTIONS
 (ANY TIF/GAS & ELECTRIC UTILITY VALUATION INCLUDED)
 (ANY CITY ANNEXATION TAXATION EXEMPT VALUE EXCLUDED FOR CITIES)
 FOR INFORMATION ONLY - NOT FOR COMPUTING FY2003/2004 TAX LEVIES

CODE	NAME	100% VALUES MILITARY EXEMPTIONS NOT DEDUCTED	100% VALUES MILITARY EXEMPTIONS DEDUCTED
6161K008 1	MADISON - EARLHAM FIRE	30,462,755	30,415,529
6161K009 1	MONROE - LOR FIRE	20,931,236	20,877,528
6161K010 1	OHIO - TRURO FIRE	24,907,800	24,866,130
6161K011 2	PENN - DEXTER FIRE	2,867,900	2,862,344
6161K011 1	PENN - EARLHAM FIRE	29,072,556	29,031,812
6161K012 1	SCOTT - WINTERSET FIRE	35,699,336	35,628,960
6161K013 1	SOUTH - ST. CHARLES FIRE	36,062,891	35,940,659
6161K014 1	UNION - WINTERSET FIRE	36,181,912	36,131,908
6161K015 2	WALNUT - LOR FIRE	3,328,151	3,324,447
6161K015 4	WALNUT - PERU FIRE	13,180,624	13,156,548
6161K015 3	WALNUT - TRURO FIRE	3,977,079	3,973,375
6161K016 1	WEBSTER - WINTERSET FIRE	16,355,113	16,334,741
	****TOTAL FOR ALL TOWNSHIPS	466,993,737	466,172,375
6161C001	MADISON COUNTY AG EXTENSION	737,081,532	735,361,950
6161L001	MADISON COUNTY MEMORIAL HOSPITAL	737,081,532	735,361,950
6161P001	BADGER CREEK WATERSHED	42,224,600	42,152,372

3827 South 42nd Street
Omaha, NE 68107
Phone: (402) 733-3700 or Toll-Free (866) 733-1100

Date 1/25/2003

ADDITIONAL TERMS AND CONDITIONS

(Referred on The Reverse Side Hereof)

When trade-in equipment is not be delivered to the Seller until delivery of the equipment purchased by this order, the trade-in equipment may be reappraised at that time and such reappraisal value shall determine the allowance made for such trade-in equipment. When the reappraised value is less than the original trade-in allowance shown on this form the purchaser may terminate this order; however, this right of termination must be exercised prior to delivery of the equipment by Seller and surrender of the trade-in equipment to Seller.

The prices which Purchaser will pay for the new equipment set forth on the reverse side hereof shall be based upon the Mid-Land Equipment Company, LC dealer price in effect on date of delivery of the new equipment. In the event Mid-Land Equipment Company, LC dealer's price is changed prior to delivery, the purchase price shall be adjusted accordingly. If such price change results in an increase, purchaser has the option of cancelling the order in writing immediately on being notified thereof.

1. The Seller shall be excused if delivery is delayed or rendered impossible by differences with workmen, strikes, work stoppages, car shortages, delays in transportation, inability to obtain labor or materials and also by any cause beyond the reasonable control of Seller, including but not restricted to acts of God, floods, fire, storms, acts of civil and military authorities, war and insurrections.

1. Purchaser shall keep the property free of all liens, taxes, encumbrances and seizure or levy, shall not use same illegally, shall not damage, abuse, misuse, abandon or lose said property, shall not part with possession thereof, whether voluntarily or involuntarily or transfer any interest therein or remove same out of the county or filing district in which Purchaser resides as indicated herein without prior written consent of Seller, shall keep said property insured in such amounts and with such insurer as may be acceptable to Seller with any loss payable to Seller as his interest in the property may appear.

The Property is held by Purchaser at his risk and expense with no abatement in his obligation on account of loss or damage.

5. Time is of the essence of this contract and if purchaser fails to comply with any of the terms and conditions hereof or defaults in the payment of any installment hereunder or under any renewals hereof, or in the payment of interest or defaults in the payment of any installment due under any other indebtedness or contract held by the Seller or Assignee, or if proceedings are instituted against Purchaser under any bankruptcy or insolvency law or Purchaser makes an assignment for the benefit of creditors or if for any reason the Seller deems himself insecure and so declares all payments heretofore made by Purchaser shall be retained by the Seller and all indebtedness hereunder shall become immediately due and payable, with or without notice, together with all expenses of collection by suit or otherwise, including reasonable attorney fees and Seller may, without notice or demand, take possession of the equipment set forth on the reverse hereof, or any additions to, replacements of, or any proceeds from said equipment or may render the property unusable or Seller may require Purchaser to assemble the property and make it available at a place designated by Seller. Seller may resell the retaken property at public or private sale in accordance with the Uniform Commercial Code or applicable state or provincial law. After deducting reasonable expenses, the remaining proceeds of Sales shall be credited upon the amount of indebtedness remaining unpaid hereunder, and Purchaser agrees to pay any deficiency upon demand by Seller, any surplus, however, shall be paid to Purchaser. Said retaking or repossession shall not be deemed rescission of the contract. Seller may exercise any other rights and remedies provided by applicable law.

6. No waivers or modifications hereof shall be valid unless written upon or attached to this contract. Waiver or condonation of any breach or default hereunder shall not constitute a waiver of any other or subsequent breach or default. Payments received by Seller are to be applied first to delinquent interest and then to principal.

7. The remedies provided for herein are not exclusive and any action to enforce payment shall not waive or affect any of the holder's rights to have recourse to the property. The transfer of this contract shall operate to pass a security interest in the property as security for the payment hereof.

8. Any provision of this contract prohibited by the laws of any state, the United States, any province or Canada, shall be ineffective to the extent of such prohibition without invalidating the remaining portions of the contract.

9. Each maker, endorser, guarantor and surety hereon severally waives presentment, demand protest, and notice of nonpayment and all defenses of want of diligence in collection and bringing suit. This contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, and assigns.

10. Buyer authorizes Seller to insert the Serial and/or model numbers of the goods set forth on the reverse side hereof for the purposes of identifying said goods. The Seller may correct patent errors herein.

Municipality: (Name) (Address) Montgomery County Secondary Roads 406 W. 4th Street, P O Box 95 Red Oak, IA 51566 County: <u>Montgomery</u> Telephone: <u>712-623-5197</u>	Dealer: (Name) (Address) Mid-Land Equipment Company LC 2901 S.E. Delaware, P O Box 309 Ankeny, IA 50021 Dealer No.: <u>23-061829A</u>
--	---

EQUIPMENT: 1999 Case 95XT Uniloaders		
(Make) Case	(Hr. Meter)	
(Ser. #) JAF0257376	(Size)	(Model) 95XT
ADDED EQUIPMENT: 2001 Alitec CX40 Cold Planer		
(Make) Alitec	(Hr. Meter)	
(Ser. #) 93CX00548	(Size)	(Model) CX40

Beginning Date Jan 31, 2002 Termination Date Feb 01, 2007 Annual Percentage Rate 4.500%**RENTAL PAYMENTS**Advance Payment of \$ 0.00 plus payments as specified on Annex A attached hereto.

Location where Equipment will be located (if other than Municipality address):

In this Agreement, "Municipality" means the lessee; "you," "your" or "Dealer" means the lessor.

Lease: Municipality agrees to lease the Equipment on the terms of this Agreement and agrees that you may assign this Agreement.

Term: This Agreement shall begin on the Beginning Date and terminate on the Termination Date.

RETURN:

If Municipality does not exercise the purchase option provided in this Agreement, at the Termination Date Municipality will return the Equipment in good condition with no excessive wear and tear to a place designated by you. Municipality will be responsible for all costs of removal and transportation. Municipality will pay all charges incurred by you to repair any excessive wear and tear. Excessive wear and tear includes glass breakage, repair to metal work and trim, rips, tears, tires in an unsafe condition and unsafe, abnormal operating condition of the Equipment.

RISK OF LOSS:

All risk of loss or damage to the Equipment is assumed by the Municipality, until it is returned to you. If the Equipment is capable of being repaired for a cost less than its fair market value, Municipality will repair it at Municipality's cost. If the Equipment cannot be so repaired or is lost or destroyed, there will be a default under Section 5(e) on page 3, in which event you will be entitled to the payment described in Section 2 on page 3.

LIENS:

Municipality agrees to keep the Equipment free and clear of all liens, other than any lien you may have on the Equipment. Municipality will not assign this Agreement or permit others to use the Equipment.

LOCATION/USE:

The Equipment will be operated out of and, when not in use, will be kept only at the location specified above. Municipality will, when requested, advise you of the exact location of the Equipment. You may enter any premises under Municipality's control to inspect the Equipment and may remove it if in your opinion it is being abused or used beyond its capacity.

Municipality agrees that the Equipment will be used by the Municipality solely for governmental use for the duration of this Lease and in a manner complying with all applicable federal, state and local laws and regulations.

Municipality will not permit the Equipment to be used in or for any private commercial activity.

ADDITIONAL PROVISIONS CONCERNING RIGHTS OF THE PARTIES ON PAGES 2, 3 AND 4 ARE PART OF THIS AGREEMENT.

Municipality acknowledges that it has received and examined the Equipment, that it is in good operating order and condition, and that it is as described.

NO WARRANTIES:

THE EQUIPMENT IS LEASED "AS IS." THERE ARE NO IMPLIED WARRANTIES, INCLUDING ANY OF MERCHANTABILITY OR FITNESS FOR PURPOSE, AND THERE ARE NO EXPRESS WARRANTIES OTHER THAN THOSE THAT MAY BE SET FORTH IN A SEPARATE WRITTEN AGREEMENT PROVIDED BY THE MANUFACTURER OF THE EQUIPMENT. IN NO EVENT SHALL YOU OR THE MANUFACTURER OF THE EQUIPMENT BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

MAINTENANCE:

Municipality will keep the Equipment in good condition, in operating order, and properly serviced, repaired and maintained. Municipality will make sure that the manufacturer's warranty remains valid. Municipality will pay all the costs of performing these obligations.

INSURANCE:

Municipality will keep the Equipment insured, at Municipality's expense, with public liability insurance having an endorsement for contractual liability on the Equipment with minimum liability limits in the amounts of \$400,000 per person and \$1,000,000 per occurrence for bodily injury, including death, and the minimum amount of \$200,000 per occurrence for property damage.

Physical damage insurance for the fair market value of the Equipment as reasonably established by you is required (see Section 10 on page 4). Municipality may choose who provides such physical damage insurance. Unless checked below, Municipality shall provide such insurance.

If checked, the following shall apply:

- ☐ Municipality hereby requests and authorizes you (provided you are properly licensed to do so) or your designee, to arrange insurance, for the benefit of you and Municipality, that covers physical damage to the Equipment. Municipality further requests and authorizes you to replace or otherwise modify such insurance as you deem appropriate. Municipality understands that a portion of the payment under the Rental Payments will be a charge to reimburse you or your designee for payment of the insurance premium. Municipality hereby appoints you as its attorney-in-fact to make claim for, receive payment of, and execute and endorse all documents, checks or drafts received in payment of loss or damage under the insurance. COVERAGE IS ONLY AS SET FORTH IN THE INSURANCE POLICY. LIABILITY INSURANCE FOR BODILY INJURY AND PROPERTY DAMAGE CAUSED TO OTHERS MUST BE OBTAINED BY ME SEPARATELY.

All insurance shall list Case Credit Corporation ("Case Credit") and its successors and assigns as additional insureds and loss payees. You may refuse insurance offered for any reason. Municipality will deliver to you a certificate of insurance or other satisfactory evidence that insurance is maintained.

Mongtomery County Secondary Roads Jan 31, 2002

(Dated)

By PURCHASER DO NOT SIGN*****

(Signature)

LATE PAYMENT:

If Municipality fails to make a payment within 10 days after it is due, Municipality will pay a late charge at the highest rate permitted by law or such lower amount assessed by you.

NON-APPROPRIATION:

If funds are not allotted by Municipality for the next fiscal period sufficient to enable it to continue making the rental payments set forth herein, Municipality may terminate this Agreement upon the expiration of the then current fiscal year and promptly return the Equipment as provided herein. Municipality agrees to provide you with immediate notice of its intention to so terminate the Agreement.

In the event Municipality elects to terminate this Agreement as provided above, Municipality agrees that it will not purchase, lease or rent other equipment for the purpose of performing the functions or projects which were to be performed by the leased Equipment for a period of ninety (90) days from the date of termination of this Agreement.

The Municipality shall do all things within its power to obtain funds to enable it to continue making the payments set forth in Annex A.

ASSIGNMENT

Dealer hereby assigns to Case Credit (which may be further assigned by Case Credit), all right, title and interest of Dealer in and to the rental payments due hereunder, on the assignment basis approved by Case Credit and properly noted by Dealer as follows:

☐ Full Recourse ☐ Limited Recourse ☐ Repurchase Recourse ☒ Non Recourse

In the event Case Credit or any of its successors or assigns suffers any losses, then, in addition to any other remedies such party may have under the Retail Financing Agreement or otherwise, Dealer shall, upon request, assign to Case Credit or any of its successors or assigns any other rights it may have hereunder.

Notwithstanding the foregoing assignment, Dealer shall be liable for the Termination Value as follows:

☐ Full Recourse ☐ Repurchase Recourse ☐ Non Recourse

Mid-Land Equipment Company LC

Dealer Name

Signature

Jan 31, 2002

(Date)

ADDITIONAL PROVISIONS

1. Security Interest; Option to Purchase.

Municipality hereby grants Dealer a security interest in the Equipment to secure Municipality's obligations under this Agreement and agrees to execute and deliver to Dealer for filing any Uniform Commercial Code financing statements or similar documents Dealer may request. Municipality has the right to purchase the Equipment, provided the Municipality gives notice to Dealer in writing, of its intention to purchase 90 days prior to such purchase, and provided further that the Municipality's right to so purchase is conditioned on Municipality's complete performance of all terms and conditions of this Agreement. The purchase price will equal a) the remaining principal as reflected on Annex A, plus b) all unpaid rent, plus c) all accrued interest, plus d) all default charges and late fees, plus e) all unpaid sales and use taxes, plus f) all other assessments.

2. Early Termination.

If Municipality is in default, you may terminate this Agreement. If you terminate this Agreement as a result of Municipality's default, you will have the rights and remedies provided by law and by this Agreement, and Municipality will lose all rights to keep the Equipment. You will have the right to take the Equipment without demand. To take it, you may enter the premises where the Equipment is stored and remove it. You may take any property in the Equipment at the time of repossession and hold it for Municipality. The repossession of the Equipment by you does not release Municipality from its obligations under this Agreement.

Municipality agrees that you may sell the Equipment (including at wholesale), re-lease it or otherwise dispose of it in a commercially reasonable manner. Municipality agrees to pay you, as liquidated damages, an amount equal to a) the remaining principal as reflected on Annex A, plus b) all unpaid rent, plus c) all accrued interest, plus d) all default charges and late fees, plus e) all unpaid sales and use taxes, plus f) all other assessments, minus the net present value of net proceeds resulting from the disposition of the Equipment, whether by sale or release (using as a discount rate the applicable Case Credit discount rate).

3. Failure to Return Equipment.

If Municipality does not exercise its option to purchase the Equipment and Municipality fails to return the Equipment at the termination of this Agreement, whether upon default or otherwise, then, in addition to any other amounts that may be due to you under this Agreement or under applicable law, Municipality will be liable for a daily amount computed on the basis of the month with the highest lease payment under this Agreement.

4. Indemnification.

Municipality agrees that its obligation to pay the rental payments will not be subject to any defense, set-off, counterclaim or recoupment. Municipality will indemnify you, Case Credit, and its affiliates and assigns from any loss or damage to the Equipment or its contents during the term of this Agreement. Municipality will also indemnify you, Case Credit and its affiliates and assigns from all claims, losses and costs arising out of the use or condition of the Equipment.

5. Default.

Municipality shall be in default under this Agreement if any of the following occurs:

- (a) Municipality fails to make any payment due hereunder.
- (b) Municipality fails to maintain any insurance required hereunder or fails to comply with the requirements of any such insurance.
- (c) Municipality attempts to assign this Agreement or attempts to remove, sell, transfer, encumber, part with possession of or sublet any item of the Equipment.
- (d) Municipality commits an act of bankruptcy or becomes insolvent or bankrupt, makes an assignment for the benefit of creditors, ceases to do business as a going concern or suffers an adverse material change in financial condition which causes you to be insecure.
- (e) The Equipment cannot be repaired for a cost less than its fair market value or is lost or stolen.
- (f) Municipality fails to perform or observe any other covenant or condition within ten days after written notice thereof.
- (g) Municipality makes any representation in connection with this Agreement that is false or misleading in any material respect.

6. Taxes.

Municipality shall have no liability for taxes imposed by the United States of America or any State or political subdivision thereof which are on or measured by the net income of Dealer. Municipality shall report (to the extent that it is legally permissible) and pay promptly all taxes, fees and assessments due, imposed, assessed or levied against any Equipment (or the purchase, ownership, delivery, leasing, possession, use or operation thereof), this Agreement (or any rentals or receipts hereunder), Dealer or Municipality by any foreign, federal, state or local government or taxing authority during or related to the term of this Agreement, including, without limitation, all license and registration fees and all sales, use, personal property, excise, gross receipts, franchise, stamp or other taxes, imposts, duties and charges, together with any penalties, fines or interest thereon (collectively referred to as "Taxes"). Municipality shall (a) reimburse Dealer upon receipt of written request for any Taxes charged to or assessed against Dealer and (b) on request of Dealer, submit to Dealer written evidence of Municipality's payment of Taxes.

7. Totality of Agreement.

This Agreement contains the entire agreement between you and Municipality unless a change is agreed to in writing by you and Municipality and accepted by any party to whom you assign this Agreement.

8. Assignment.

This Agreement may be assigned by you or by any subsequent assignee hereof, but no such assignment shall be effective as to Municipality unless and until Municipality receives a notice of the assignment and a copy of the document effecting such assignment, disclosing the name and address of the assignee. Municipality shall maintain a complete and accurate record of all assignments described in this Section 8 in such form as is necessary to comply with Section 149(a) of the Internal Revenue Code of 1986, as amended ("Code") and the regulations thereunder. Upon receipt of a notice of assignment and a copy of the document effecting such assignment, Municipality shall perform all promises herein to such assignee of record as the owner hereof and Municipality shall make all payments hereunder directly to such assignee, and you shall not be the agent of such assignee for transmission of payments or otherwise.

9. Representations, Warranties and Covenants of Municipality.

- (a) Municipality is a State or a political subdivision of the State indicated on page one (the "State") hereof, within the meaning of Code Section 103, duly created and existing under the laws of the State, and possessing the power and authority to enter into this Agreement.
- (b) Municipality will not use, or permit any other person to use, the Equipment in any way that would cause this Agreement to be a private activity bond within the meaning of Code Section 141.
- (c) Municipality will not do or cause to be done any act which would cause, or by omission of any act permit, this Agreement to be an arbitrage bond within the meaning of Code Section 148 or a hedge bond within the meaning of Code Section 149(g).

ADDITIONAL PROVISIONS

- (d) Municipality will timely report and pay, to the extent of available funds, any amount required to be rebated to the United States pursuant to Code Section 148(f).
- (e) Municipality will not do or cause to be done any act which would cause, or by omission of any act permit, this Agreement to be federally guaranteed within the meaning of Code Section 149(b).
- (f) Municipality will comply with the information reporting requirements of Code Section 149(e), including without limitation the execution and filing of any and all information statements.
- (g) Municipality will not do or cause to be done any act which would cause, or by omission of any act permit, interest on this Agreement to be includible in the gross income of the Lessor or its assignees for federal income tax purposes.

10. Insurance.

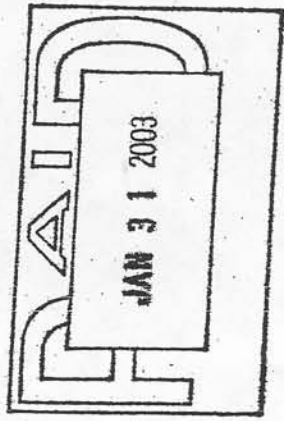
Municipality will keep the Equipment and your interest therein insured against fire, theft, physical damage and other hazards under policies with such provisions and by such insurers as shall be satisfactory to you from time to time and will furnish evidence of such insurance satisfactory to you. Such insurance shall provide at least 10 days' written notice of cancellation, lapse or expiration to you. Municipality assigns (and directs any insurer to pay) to you the proceeds of all such insurance and any premium refund. You may, at your option, apply such proceeds and refunds to any unpaid rental payments, whether or not due, and/or to the repair of the Equipment, returning any excess to Municipality. Municipality hereby appoints you as its attorney-in-fact to make, adjust and/or settle claims under any insurance or cancel the same after the occurrence of any event of default and after giving any notice required by law.

STATE OF IOWA
MONTGOMERY COUNTY
SECONDARY ROAD FUND

CLAIM# 84298 WARR# 299/45
VENDOR# 19703

Case Credit Corporation
P.O. Box 0509
Carol Stream, IL 60132-0509

DATE PAID
DATE ORDERED 1/24/2003
DELIVERY DATE 1/06/2003
AMOUNT CLAIMED 1/06/2003
AMOUNT ALLOWED \$12488.49



DOT ACCT
610-000-000 skidsteer/planer yr lease

LINE DESCRIPTION
AMOUNT
12488.49
DOT DESCRIPTION
NEW EQUIPMENT

AUDITORS ACCT FUND=20000
07200 423 20
AMOUNT
12488.49

INVOICE
61829001
INV DATE
01/06/2003
PO #

I HEREBY CERTIFY THAT THE
WITHIN IS A JUST, LAWFUL AND
CORRECT CLAIM AGAINST THE
SECONDARY ROAD DEPARTMENT FOR
MONTGOMERY COUNTY

JOHN A. RASMUSSEN

COMMISSIONER OF ELECTIONS
AUDITOR
CONNIE MAGLISON

2003 JAN 24 PM 3:02

FILED
MONTGOMERY COUNTY

FILED
MONTGOMERY COUNTY
2003 JAN 24
CONNIE MAGLISON
AUDITOR
COMMISSIONER OF ELECTIONS



LEASE PAYMENT NOTICE

DATE 1/06/03

19 703

MONTGOMERY COUNTY
PO BOX 95
RED OAK, IA 51566

CUSTOMER NO.	LEASE NO.
0000168031	61829001

PMT DUE 2/01/03 12,488.49
PAST DUE
RENTAL TAX/FEE
LATE CHARGES

PAY THIS AMOUNT 12,488.49

THE FOLLOWING IS THE EQUIPMENT ON THE LEASE:

MAKE	TYPE	MODEL	SERIAL NO.
CASE	UNILDR	95XT	JAF0257376
ALITEC	PLANER	CX40	93CX00548

RECEIVED

JAN 10 2003

COUNTY ENGINEER
MONTGOMERY COUNTY

THANK YOU FOR YOUR BUSINESS. PLEASE CONSIDER US FOR YOUR FUTURE EQUIPMENT FINANCING AND LEASING NEEDS. FOR MORE INFORMATION ON THE PRODUCTS WE OFFER, SEE US ON THE INTERNET AT www.casecredit.com
CHANGE OF ADDRESS? PLEASE WRITE NEW ADDRESS ON RETURN PORTION BELOW.
ADDRESS ANY INQUIRIES TO CASE CREDIT CORPORATION IN U.S. OR IN CANADA, CASE CREDIT LTD.

P.O. BOX 292
RACINE, WI 53401-0292

(800) 501-5711

APPNPF8
3/09/04 15:39:20
Montgomery County

Vendor V 19703 Case Credit Corporation

Typ Disb# Date Description

WA 299145 1/31/2003 skidsteer/planer yr lease
WA 302050 1/23/2004 skid steer/planer rental

Vendor AP Detail History

Acct Number	Dates	Amount	1099 Stat	Claim #	Sts	Type Code	WT
20000	07200	12488.49		84298	R	2/06/2003	
	Disbursement Total	12488.49	*				
20000	07110	12488.49		80509	R	1/30/2004	
	Disbursement Total	12488.49	*				
Vendor Total		24976.98	**				

End of report

Montgomery County Auditor's Office

Memo

This document contains time-sensitive information. Please read immediately and respond as specified.

To Interoffice memo
From Cheryl Miller
Date/Time 7/2/2003 at 11:10AM
Subject Conversation with Kathy Burson

At approximately 10:25A.M. I called Kathy regarding some year end things. The first thing I talked to her about was when we could get together to balance year end. She said she was almost done, had some things to check yet. She said to let her know when I had revenues ready, then we could get together to check our numbers.

Then I talked to her about was claim numbers. I told her that we were going to start over with claim numbers for the new fiscal year and notes I had from Solutions meeting stated that the engineer would need to change the beginning Claim # in their control file. Kathy said that she was almost done entering claims for next week, didn't know if that would be a problem. Could she restart her numbers next time? I said I didn't know, may have to talk to Rollie to see if restarting would affect anything for her claims she already entered.

Lastly I talked to her about reclassifying the part of the payment made to Houghton State Bank on June 27, 2003 that came out of new equipment. Connie and I had talked to Chris Nelson, CPA from our audit firm about this earlier. He said that the payment should be reclassified to debt service since it was a loan payment. I asked Kathy if she would have to make a journal entry in order for us to balance. She said she would need to, but she would have to talk to John about it. Kathy said something about since it was a principal payment didn't think it would come from there????

At 11:37 A.M. Kathy called back to say that Rollie was done with the modem. He got the claim numbers reset for her. I told her that we were going to restart them each year, for future reference. She had talked to John about the debt service reclassification. She said that we could make the journal entry if we wanted on our side, they were going to leave theirs where it is. That is where it comes out of for their purposes (I assume for DOT purposes). I said that we would match the overall balance, and she said yes we would. She gave me the expenditure totals that she has for fund 20000. Year to date

Fax

expenditures were \$ 2,662,124.41 and the amount remaining was \$383,155.59. I said I would let her know when I have the totals and revenues.

July 3, 2003 at 3:12P.M. Called Kathy to see if she wanted to check balances today or Monday morning. I told her that I had checked the total YTD used and remaining amounts for the Secondary Road fund with the amounts she gave me yesterday and they agreed. She wanted to know what we were showing for an ending fund balance for Secondary Roads. I told her that it was \$840,513.05, which is what she was showing. I told her that my book suggests balancing totals and service areas with the engineer. We discussed that since the total YTD used and remaining amounts balanced that each function area would probably match with the exception of the debt service adjustments that were made on the auditor's side that were not made on the engineer's side.

Kathy asked if Monday morning would be ok to come in and do her backup. I told it should be ok. She said she might double check things before she does her backup.

Memo

This document contains time-sensitive information. Please read immediately and respond as specified.

To Interoffice memo
From Cheryl Miller
Date/Time 7/2/2003 at 2:15PM
Subject Leases for secondary roads FY 2003

Called Chris Nelson at 2:13 P.M. Regarding a couple of leases for secondary roads. The first lease we talked about was for a skidster/planer that was entered into December 19, 2001 that was discovered in January 2003 when a lease payment was made to Case Credit. Chris said that it should be capitalized and reported as debt service. I am going to call Case and find out the particulars of principal and interest paid and balance owed on June 30, 2003. I will set up an amortization schedule and adjust the debt service accordingly. I told him it probably was not on the asset listing either.

The second lease was for a new copier. I told Chris that I had talked to Bruce Bro about the lease. Bruce said that it was a rental lease, technically rent. Bruce said there was a trade in involved and if it was purchased outright it would be \$7,382. Chris said that there are 5 criteria for capitalizing a lease. Chris said that it should be capitalized.

I asked Chris if I should set up the amortization schedule and include the payments of principal and interest in debt service. He said that I could. I said that I would adjust for these payments and if when they come down make any further adjustment if need be. He said that was fine, and if there was a small adjustment it would probably not need to be made due to materiality.

Fax

designate \$14,000.00 for the paving at the fair building? The board confirmed, yes, if the City designated their share. Auditor Magneson stressed they specifically wanted that dollar amount designated for the paving at the fair building? The board confirmed, yes.

The board discussed the public hearing date for the budget. Auditor Magneson suggested March 13, 2003. Stoldorf argued dates. Stoldorf didn't like the 13th. Stoldorf liked the 10th. Auditor Magneson stressed the budget needed to be completely done, no more changes. The board agreed, and agreed on the 10th.

Auditor Magneson asked the board again, if they are planning on attending the ISAC schools in Des Moines, in March. The majority of the board said no. Benskin said if you don't go, are you telling the public you don't care or are you telling them you are trying to save money.

Stoldorf argued with Auditor Magneson the election budget, wanting to micro manage her department in that area. Supervisor Carlson said to leave it as is, then take a good look at it next year. Supervisor Vannausdle agreed. Supervisor Carmichael agreed.

Auditor Magneson asked the board if they had discussed with the Engineer the transfers from General Basic to Secondary Roads had been set to zero. The figures submitted from the engineer do not match the actual figures, mostly because of the decision by the board not to transfer moneys from General Basic to Secondary Roads. Stoldorf did not understand the tax relief, and wanted to discuss all of that again. Auditor Magneson said she didn't know how to explain it anymore. That has been discussed everyday for the last three weeks. That the property tax relief NEEDS to be applied.

The board discussed County Government Week with no decision made.

At 12:00 P.M. the board recessed for lunch, to reconvene back in the board room at 1:00 P.M..

The board discussed the Environmental Specialist budget and Public Health budget. Auditor Magneson suggested if the board has questions, to call the department head in and talk with them.


Recorder came in to ask the board where does she take the 7.5% from? What do you want her to cut? The board said it was her decision where to cut from her budget, but bottom line needs to be cut 7.5% from expenses on the General Basic side.

Veterans Affairs was in to discuss their budget cut.

The board decided to adjourn for the day at 3:30 P.M. and continue on Thursday, February 20th to finish so publication dates could be met.

Motion by Supervisor Vannausdle, second by Supervisor Carlson to adjourn for the day. Motion carried.


MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN

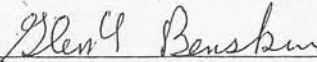

ATTEST CONNIE MAGNESON, AUDITOR/CLERK TO THE BOARD
MONTGOMERY COUNTY BOARD OF SUPERVISORS

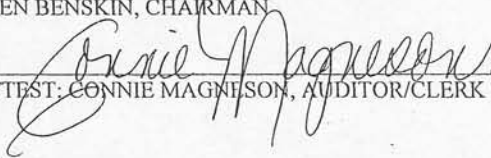
MINUTES

THURSDAY, FEBRUARY 20, 2003

levy for fiscal year 2003-2004. Ketcham was concerned that we may not have enough money to provide the services required by code. Ketcham doesn't care if they lower her budget as long as there is fund balance there if she needs it for services. No further discussion.

Motion by Supervisor Carlson, second by Supervisor Carmichael to adjourn their session at 4:30 P.M. No discussion. Motion carried.


 MONTGOMERY COUNTY BOARD OF SUPERVISORS
 GLEN BENSKIN, CHAIRMAN


 ATTEST: CONNIE MAGNUSON, AUDITOR/CLERK TO THE BOARD

MONTGOMERY COUNTY BOARD OF SUPERVISORS

MINUTES

SPECIAL MEETING

FRIDAY, FEBRUARY 21, 2003

At 6:00 P.M. Chairman Benskin called the special meeting to order. Supervisor Carmichael, present. Supervisor Vannausdile, absent. Supervisor Carlson, present. Supervisor Stoldorf, present.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the agenda of the day. No discussion. Motion carried.

Supervisor Carlson recognized the visitors that if they wanted to talk, they should come to the end of the table and listen to them. Others present were Jan Norris, Julie Bulkeley, Dale Watt, and Ben Rolf (aka Dennis Good).

Stoldorf started off with we got in a bad situation with the agendas and we have got some litigious people out there. And we have been put in a very awkward situation. I became aware that we have missed the 24 hour rule time and time again in the last month. This puts the board in an awkward position and put the county in a bad position. Some how we need to control, no not control, but get a grip on it. Benskin said the 1:00 agenda got there at 2 or 3; the 3:00 one got there at 4 something and when he called at 5 to see if it was coming down there, he just jumped me blindsided. Carlson asked if have a fax machine with a clock on it and it only sends it out at a certain time. Benskin said when they send it, it has time on it and when they receive it his puts a time on it. Carlson asked if it wasn't sent on time. Benskin said no it hasn't several times. Carlson said this needs to be corrected. Benskin said we're in violation and don't even know it.

Assistant Auditor Miller asked to speak about the 24-hour notice. Miller stated that for years the agenda has been sent out and posted by 10:00 A.M. the day before a 9:00 A.M. board meeting. This has been going on for years, prior administrations. Benskin said yesterday was one day they all three got wrong. Benskin said it was a good thing he called to see if it was going to check our clocks. Benskin called Jerry in respect and true faith to see that he got it so that we could be legal tonight. Carlson asked what we could do to correct the situation. Benskin said to instruct Connie and Cheryl to get them on time, they've got to be. Carlson asked it could be an hour early. Stoldorf said they could be a week early. They have to be there not less than 24 hours before the meeting. Carlson said lets have a couple hours before the deadline. Carlson said let what is in the past is gone, we can't control that. Stoldorf said we are probably going to get a lawsuit out of yesterday. Benskin said he told me we'd settle it in court or the courthouse. Benskin said he tried to talk to Bruce to have the meeting tomorrow, so Jerry and the Express could be here. Connie and Cheryl couldn't be here, nobody here to help us. So he asked Bruce if it was all right to go ahead and have it, Bruce didn't realize we were on a time deal.

Rather than ask for records individually, we would ask that this letter service as that request. Jan Renander was present to make confirm and explain her request. Motion by Supervisor Carmichael, second by Supervisor Stoldorf to approve the e-mail of minutes to the Red Oak Express and copies to be made for the media. No further discussion. Motion carried.

Motion by Supervisor Vannausdle, second by Supervisor Carlson to approve payroll to be paid on Friday, February 21, 2003 in the amount of 108884.19. No discussion. Motion carried.

Auditor Magnuson presented to the board the January, 2003 month end reports by Department. No discussion.

The board discussed the public hearing for the county budget. Auditor Magnuson explained they have expired all their deadlines and the next possible date to be set is March 17, 2003. Magnuson warned the budget must be submitted to the State on March 17, 2003 and if not, the budget will defer to the current budget.

In other business the board discussed the Matrix system.

The board recessed at 12:00 P.M. for lunch and will reconvene at 1:00 P.M. to continue working on the budget.

At 1:00 P.M. the board reconvened. The board discussed the change they made in the morning session, a 7.5% reduction of expenditures excluding wages. Benskin thought this was the formula. Carlson thought the reduction included raises. The board asked Auditor Magnuson how the revisions had come in. Magnuson stated they came in including wages except for Public Health. Benskin stated he was concerned for Public Health and safety at this time. Benskin asked the board if they could exclude Public Health from reducing their expenditures including wages. Carlson stated that Home Health and the Sheriff were critical. Vannausdle stated that Updegrave said he could handle the request. Vannausdle stated the board told some departments wrong this morning, they will have to revise their budgets again. The board discussed taking the \$100,000 out of the budget for economic development, having it available in fund balances for Public Health and the Sheriff if they need it.

The board discussed excluding Public Health from decreasing their budget by 7.5% including wages. Benskin asked about Public Health. Carlson stated I should stay away but we just have to back her. The board called Public Health director Sabo in. Stodorf asked Sabo if she would have a problem if they leave her department alone and cut everybody else, would you be happy with that. Sabo stated that was two different questions. Am I happy, I'd be ecstatic; would I be comfortable, would that be fair to do to my agency and not the rest? Sabo asked the board if they would be comfortable justifying this to every other department. Sabo stated she did not was to be singled out as getting preferential treatment. Sabo offered a compromise that her department would cut 7.5% of her expenses excluding wages \$3,806 and she would match that again for a total reduction of \$7,612. Sabo stated the cuts wouldn't be noticeable, but would cut some education, but her staff would continue their education out of their own pocket.

Motion by Supervisor Carlson, second by Supervisor Carmichael to reduce 7.5% to all departments including wages less 3% increase to wages plus 1.4% to wages with the exception of Public Health who will reduce expenditures 7.5% not including wages and match 7.5% for an added reduction. Roll call. Carmichael, aye; Vannausdle, abstained; Carlson, aye; Stoldorf, no; Benskin, aye. Motion carried.

Vannausdle stated the board will need to tell the people they told wrong in the morning session. The board discussed they needed to contact Public Health, Recorder, Veteran Affairs, General Assistance, Sanitarian, Zoning and have them revise their budget again.

Motion by Supervisor Stoldorf, second by Supervisor Carmichael to table setting the public hearing for the budget. No discussion. Motion carried.

Sara Ketcham talked to the board about the mental health budget. Ketcham explained the shared wages and expenses with Mills County. When she came to the bottom line she did reduce her bottom line 7.5%. Ketcham asked about the mental health levy. Ketcham was asking for 100%

Memo

This document contains time-sensitive information. Please read immediately and respond as specified.

To Interoffice Memo
From Connie Magnuson
Date/Time 6/25/2003 at 10:16AM
Subject Tax Transfers

Anita, Carol S., Cheryl, and I discussed the tax transfers for FY ending 03 for Secondary Roads. Cheryl and Carol had worked out their synopsis of transfers and compared notes. Cheryl had worked out what would have been 100% transfer to Secondary Roads. I had made out these transfer slips. In conversing further with Anita, Cheryl, and Carol, I asked what had been written in for dollars to be transferred in the budget worksheets by the Engineer, and Board. We got the 02/03 budget worksheets out, and found those dollars to be what had originally been what was figured for transfers (percentage). Anita and I were in agreement that we could not exceed what was in the budget as approved, and the original percentages were retained. I completed another set of transfers slips to be approved by the board and Treasurer.

I also took back the sheet Anita gives me for authorization of transfers. The authorization sheet showed what could have been transferred to Secondary Roads from Rural Services if they had not reached the max allowed to them by the budget. I asked Anita to please retype, without that amount, or I would have to proceed with the transfer, which would give them more than allowed. Anita agreed, and will retype, and resubmit.

At approximately 12:00 P.M. Cheryl, Anita, and I were in agreement to contact the State Auditor's Office regarding the tax transfers, as Anita had a call from John Rasmussen regarding the negative transfer from Rural Services to Secondary Roads which was on the agenda. Anita said she had not put the amount on the agenda, and I did not, as I took care of the General Basic Transfer to be placed on the agenda with no amounts shown, and showed Anita this. Anita was put out as the Recorder did this on her own, and made more controversy than was

Fax

Montgomery Auditor

necessary. Andy Neilsen from the State Auditor's Office called back at 1:30 P.M.. I called Neilsen back at 2:00 P.M.. Neilsen called back at 2:45 P.M.. Anita, Cheryl, and I talked with Neilsen about the tax transfers, the formula used to calculate what could be transferred based on tax collections for the month. That in the month of June, those tax collections are not used until July. I asked how did the Engineer get what was budgeted and approved by the board? If you used the table provided by the State Auditor, then the statutory limit is used before you reach the engineer's limit, as that is all the tax collections will allow. Neilsen said to throw away that table/formula. We're making this harder than we need to. If he does not exceed the statutory limit, and more than 100%, then take the amount budgeted and approved, and divide it by 12 or if you have less tax moneys at certain times, then decide when to transfer. Neilsen said most of the counties are not giving the Engineer anything out of General Basic, as they can't afford to do that. We must the exception to the rule. I said, no we are not, but the board wants to give all they can to S. R.. Neilsen: Does S.R have a good ending fund balance? Yes, exceptional. Do your other funds? No. Well, it doesn't make sense to me, Neilsen said. I said it is two board members that wouldn't hear of it. Neilsen: did you know you could use LOST to apply towards the 75%? Yes. I told them tat. S.R. Is making over 150% right now. Neilsen: Wow!

When the conversation was over, Anita said she would explain to the board in their regular session on Thursday, June 26, 2003, and I said in July, we will decide how we want to transfer. Anita. That's right. We thanked each other.

Montgomery County
 Computation of Maximum Allowable Transfer from General Basic and
 Rural Services Basic Funds to
 Secondary Roads Fund in Accordance with Chapter 331.429 of the Code of Iowa

May 2003

Do NOT use this format any longer
 per Deputy State Auditor Nielsen
 on 6/25/03 approx 3:00 PM.
 This is format given to us by State
 Auditor's office in June 1998.

General Basic Fund

<u>General Basic fund share of:</u>	<u>Collected</u>	<u>Tax of sixteen and seven-eighths cents per \$ 1.000</u>	<u>Maximum Allowable Transfer</u>	<u>Maximum per Board Resolution</u>
Current tax collections:				
Property tax	1,176,608.40			
Special utility property tax	1,113.08			
Utility replacement excise tax	75,323.55			
Grain handled tax	233.14			
Homestead	47,294.68			
Agricultural Land	21,419.11			
Elderly	0.00			
Industrial & machinery tax	<u>29,510.56</u>			
Total current tax collections	1,351,502.52	0.04821428571	65,161.73	
Military tax credits	1,073.06	0.04821428571	51.74	
Mobile home tax & credits	1,469.71	0.04821428571	70.86	
Delinquent tax collections	<u>2,772.79</u>	0.04821428571	<u>133.69</u>	
	1,356,818.08			
Maximum amount authorized to be transferred from the General Basic Fund to the Secondary Roads Fund			65,418.01	65,530.00
Transfers to date			<u>64,203.07</u>	
Difference			1,214.94	

Secondary Roads
 should receive
 whatever has been
 budgeted for transfer
 if the fund has
 the money,

Rural Services Basic Fund

<u>Rural Services Basic Fund Share of:</u>	<u>Collected</u>	<u>Tax of three dollars and three-eighths cents per \$ 1.000</u>	<u>Maximum Allowable Transfer</u>	<u>Maximum per Board Resolution</u>
Current tax collections:				
Property tax	835,133.56			
Special utility property tax	742.66			
Utility replacement excise tax	54,922.78			
Grain handled tax	73.72			
Homestead	13,399.56			
Agricultural Land	23,999.06			
Elderly	0.00			
Industrial & machinery tax	<u>1.11</u>			
Total current tax collections	928,272.45	0.76044303797	705,898.32	
Military tax credits	374.58	0.76044303797	284.85	
Mobile Home tax	0.00	0.76044303797	0.00	
Delinquent tax collections	<u>995.53</u>	0.76044303797	<u>757.04</u>	
	929,642.56			
Maximum amount authorized to be transferred from the Rural Services Basic Fund to the Secondary Roads Fund			706,940.21	721,600.00
Transfers to date			<u>707,272.61</u>	
Difference			(332.40)	

Montgomery County
Computation of Maximum Allowable Transfer from General Basic and
Rural Services Basic Funds to
Secondary Roads Fund in Accordance with Chapter 331.429 of the Code of Iowa

June 2003

General Basic Fund

<u>General Basic fund share of:</u>	<u>Collected</u>	<u>Tax of sixteen and seven-eighths cents per \$ 1.000</u>	<u>Maximum Allowable Transfer</u>	<u>Maximum per Board Resolution</u>
Current tax collections:				
Property tax	1,190,603.99			
Special utility property tax	1,113.08			
Utility replacement excise tax	75,323.55			
Grain handled tax	233.14			
Homestead	47,294.68			
Agricultural Land	21,419.11			
Family Farm	7,728.24			
Elderly	1,712.45			
Industrial & machinery tax	<u>29,510.56</u>			
Total current tax collections	1,374,938.80	0.04821428571	66,291.69	
Military tax credits	1,073.06	0.04821428571	51.74	
Mobile home tax & credits	1,515.84	0.04821428571	73.09	
Delinquent tax collections	<u>2,773.58</u>	0.04821428571	<u>133.73</u>	
	1,380,301.28			
Maximum amount authorized to be transferred from the General Basic Fund to the Secondary Roads Fund			66,550.24	65,530.00
Transfers to date			<u>65,530.00</u>	
Difference			1,020.24	

Rural Services Basic Fund

<u>Rural Services Basic Fund Share of:</u>	<u>Collected</u>	<u>Tax of three dollars and three-eighths cents per \$ 1.000</u>	<u>Maximum Allowable Transfer</u>	<u>Maximum per Board Resolution</u>
Current tax collections:				
Property tax	838,406.92			
Special utility property tax	742.66			
Utility replacement excise tax	54,922.78			
Grain handled tax	73.72			
Homestead	13,399.56			
Agricultural Land	23,999.06			
Family Farm	8,657.74			
Elderly	231.26			
Industrial & machinery tax	<u>1.11</u>			
Total current tax collections	940,434.81	0.76044303797	715,147.10	
Military tax credits	374.58	0.76044303797	284.85	
Mobile Home tax	0.00	0.76044303797	0.00	
Delinquent tax collections	<u>996.40</u>	0.76044303797	<u>757.71</u>	
	941,805.79			
Maximum amount authorized to be transferred from the Rural Services Basic Fund to the Secondary Roads Fund			716,189.66	721,600.00
Transfers to date			<u>721,600.00</u>	
Difference			(5,410.34)	



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0004
Telephone (515) 281-5834 Facsimile (515) 242-6134

Richard D. Johnson, CPA
Auditor of State

Andrew E. Nielsen, CPA
Deputy Auditor of State

June 23, 1998

Cheryl Miller
Assistant to the Auditor
County Auditor's Office
Montgomery County Courthouse
105 Coolbaugh Street
Red Oak, Iowa 51566

Dear Cheryl:

This letter is in response to your letter dated June 22, 1998. Your letter asked for our opinion concerning the proper procedures for certain transfers as follows:

1. If the Board of Supervisors desires to transfer funds to the Conservation Land Acquisition Trust Fund, the Board should adopt a resolution authorizing the County Auditor to transfer the amount desired per Chapter 350.6 of the Code of Iowa.
2. If the Board of Supervisors desires to transfer unexpended budgeted funds from the Zoning and Road Clearing Departments to the Secondary Roads Fund, they should follow the transfer requirements of Chapter 331.429 of the Code of Iowa. This section details the maximum amount of money which may be transferred from the General and Rural Services Basic Funds to the Secondary Roads Fund. These transfers, and all transfers, should be by Board Resolution in accordance with Chapter 331.432 of the Code of Iowa.
3. A worksheet to help you calculate the maximum allowable transfer to the Secondary Roads Fund has been sent to you. If this maximum has been exceeded, we recommend that excess amounts be transferred back to the General and/or Rural Services Basic Funds.

If you have any further questions, please give me a call.

Sincerely,

Kevin J. Borchert, CPA
Manager

Carmichael doesn't think that it should be signed at this time. Stoldorf want this on the agenda every week. Can't it be on there like John Rasmussen is?

Rasmussen does not think they can function without the transfers this year. won't be able to leverage federal funds. Rasmussen would like to see a sunset--\$ limit on it.

Benskin said to table it the resolution until Auditor Magnuson was present. Carmichael moves to Resolution 5 to authorize implementation of Iowa Code 74 to table this temporarily and bring it up later today. Stoldorf seconds. No discussion.

The board discussed the Weed Commissioner's budget with Damien Bond. Bond had a handout for the board. Carlson said that he had visited with some rural residents and about 99.1% of them would like to mow their own roads, but would like the county to step off and mow the ones that do not mow their own in the fall. Bond said it currently costs \$2.60 per mile to mow. The board discussed passing a resolution to ask residents to mow their own right of ways. Bond said he would not like to ask people to mow their own.

Bond told the board that he had budgeted for a 3% wage increase and for a newer vehicle. His vehicles is a 1985 truck which he got from conservation with approximately 170,000 miles, runs good but not reliable. The other vehicle leaks antifreeze and other fluids, not worth fixing.

The board discussed the Resolution to authorize implementation of Iowa Code Chapter 74. Auditor Magnuson and Treasurer Walker explained the process of making appropriate corrective action. Magnuson stressed the resolution does not write the check, but authorizes the Auditor to make appropriate action when a fund is in distress. Treasurer Walker confirmed. Motion by Supervisor Carmichael, second by Supervisor Carlson to approve Resolution #5 as follows:

To Authorize Implementation of Iowa Code Chapter 74

Whereas the Montgomery County Auditor has determined and notified the Montgomery County Board of Supervisors that amounts appropriated by the Board for the operating funds of the County may exceed fund balance and incur liability for FY 2002/2003.

Whereby the Montgomery County Auditor recommends appropriate corrective action.

Whereas the Montgomery County Board of Supervisors shall authorize the Montgomery County Auditor to make available to cover any debt and may be done in the form of reimbursement of funds; or the debt may take the form of Anticipatory warrants subject to the Iowa Code Chapter 74; loans from other county funds; or other formal short term debt instruments or obligations.

The above and foregoing resolution was adopted by the board of supervisors of Montgomery County, Iowa on the 4th day of February, 2003, the vote thereon being as follows:

AYES:

Glen Benskin/s
Dale Carlson/s
Harry Vannausdle/s
Leland Carmichael/s

Margaret Stoldorf abstained. Motion carried.

The board continued the budget process until adjourning at 3:30 P.M.. Motion carried.


MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN

RESOLUTION # 5

TO AUTHORIZE IMPLEMENTATION OF IOWA CODE
CHAPTER 74

WHEREAS the Montgomery County Auditor has determined and notified the Montgomery County Board of Supervisors that amounts appropriated by the Board for the operating funds of the County may exceed fund balance and incur liability for FY 2002/2003.

WHEREBY the Montgomery County Auditor recommends appropriate corrective action.

WHEREAS the Montgomery County Board of Supervisors shall authorize the Montgomery County Auditor to make available to cover any debt and may be done in the form of reimbursement of funds; or the debt may take the form of Anticipatory warrants subject to Iowa code Chapter 74; loans from other county funds; or other formal short term debt instruments or obligations.

THE ABOVE AND FOREGOING RESOLUTION WAS ADOPTED BY THE BOARD OF SUPERVISORS OF MONTGOMERY COUNTY, IOWA ON THE 4TH DAY OF FEBRUARY, 2003, THE VOTE THEREON BEING AS FOLLOWS:

AYES:

NAYS:

MONTGOMERY COUNTY BOARD OF SUPERVISORS

Glen Y Benskin
GLEN BENSKIN, CHAIRMAN

Dale Carlson
DALE CARLSON, SUPERVISOR

Harry Vannausdle
HARRY VANNAUSDLE, SUPERVISOR

Margaret Stoldorf
MARGARET STOLDORF, SUPERVISOR

Abstained

Leland Carmichael
LELAND CARMICHAEL, SUPERVISOR

ATTEST:

Connie Magnuson
CONNIE MAGNESON, MONTGOMERY COUNTY AUDITOR

LOSST

RESOLUTION 9

For transfer of Local Option Sales Tax to Secondary Road Fund.

WHEREAS, The Local Option Sales and Service Tax was implemented April 1, 1999 and shall remain in effect until March 31, 2004.

WHEREAS, The Local Option Sales and Service Tax for the Unincorporated area of Montgomery County is designated as property tax relief, and 80% thereof specifically for Secondary Road purposes.

NOW, THEREFORE BE IT RESOLVED, that such funds be transferred from Local Option Sales Tax Fund (Fund Number 16000) to the Secondary Road Fund (Fund Number 20000) as such funds are received. This resolution shall remain in effect from July 1, 2003 until Local Option Sale Tax dollars are no longer specified for this purpose.

Glen Benskin 3-13-03
Glen Benskin, Chairman Montgomery County Board of Supervisors Date

Connie Magnuson 3-13-03
Attest: Connie Magnuson, Montgomery County Auditor Date

GLB0PFR
10/07/03 14:15:38
Montgomery County

Fund Status Report

Month 9 September Fiscal Year 2003/2004 Month Ending 9/30/2003

Fund 16000 Local Option Tax Fund-Sec Rds
Beginning Year Balance 54,035.38
Treasurer
Beginning Cash Balance 87,842.95
Less Loans Payable to Funds .00
Plus Loans Receivable From .00
Beginning Month Balance 87,842.95

54,035.38
Auditor
71,662.82
.00
.00
71,662.82

REVENUES MONTH
Property Tax-Current .00
Property Tax-Delinq .00
Penalties & Interest .00
Other County Taxes 17,350.54
State Shared Revenues .00
State Grants/Reimb. .00
State Replacement/Tax .00
Other State Replacement .00
Federal Grants .00
Contrib&Reimb Other Gov .00
Payment in Lieu of Tax .00
License & Permits .00
Charges for Services .00
Use of Money & Prop .00
Fines/Forfeits/Defaults .00
Misc Revenues .00

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Total Revenues 17,350.54

17,350.54

51,158.11 + 17,350.54 = 68,508.65

Treasurer Disbursements .00
Warrants Paid Out 35,785.89
Warrants Issued
Auditor Adjustments
Auditor Transfers In .00
Auditor Transfers Out .00
Treasurer Transfers In .00
Treasurer Transfers Out .00
Treasurer Reimbursed Rev .00
Auditor Reimbursed Exp .00

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Ending Month Fund Balance 69,407.60
Plus Loans Payable to Funds .00
Less Loans Receivable From .00
Ending Month Cash Balance 69,407.60
--Warrants Outstanding

69,407.60
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TOTAL ALL FUNDS
Beginning Balance-Treasurer 87,842.95
Beginning Balance-Auditor 71,662.82
Ending Balance -Treasurer 69,407.60
Ending Balance -Auditor 69,407.60
Total Warrants Outstanding .00

End of report

69,407.60
+ 17,350.54 10/2/03

86,758.14

GLB0PFR
10/07/03 14:15:38
Montgomery County

Fund Status Report

Month 9 September Fiscal Year 2003/2004 Month Ending 9/30/2003

Fund 16000 Local Option Tax Fund-Sec Rds
Beginning Year Balance 54,035.38
Treasurer
Beginning Cash Balance 87,842.95
Less Loans Payable to Funds .00
Plus Loans Receivable From .00
Beginning Month Balance 87,842.95

54,035.38
Auditor
71,662.82
.00
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71,662.82

REVENUES MONTH
Property Tax-Current .00
Property Tax-Delinq .00
Penalties & Interest .00
Other County Taxes 17,350.54
State Shared Revenues .00
State Grants/Reimb. .00
State Replacement/Tax .00
Other State Replacement .00
Federal Grants .00
Contrib&Reimb Other Gov .00
Payment in Lieu of Tax .00
License & Permits .00
Charges for Services .00
Use of Money & Prop .00
Fines/Forfeits/Defaults .00
Misc Revenues .00

MONTH
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Total Revenues 17,350.54

17,350.54

51,158.11 + 17,350.54 = 68,508.65

Treasurer Disbursements .00
Warrants Paid Out 35,785.89
Warrants Issued
Auditor Adjustments .00
Auditor Transfers In .00
Auditor Transfers Out .00
Treasurer Transfers In .00
Treasurer Transfers Out .00
Treasurer Reimbursed Rev .00
Auditor Reimbursed Exp .00

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19,605.76
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35,785.89
35,785.89
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Ending Month Fund Balance 69,407.60
Plus Loans Payable to Funds .00
Less Loans Receivable From .00
Ending Month Cash Balance 69,407.60
--Warrants Outstanding .00

69,407.60
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TOTAL ALL FUNDS
Beginning Balance-Treasurer 87,842.95
Beginning Balance-Auditor 71,662.82
Ending Balance -Treasurer 69,407.60
Ending Balance -Auditor 69,407.60
Total Warrants Outstanding .00

End of report

69,407.60
+ 17,350.54 10/2/03

86,758.14

TRBUPFR
10/04/03 9:09:35

Treasurer General Ledger

5

For the Month of September 2003/2004 Processing Date 9/30/2003
Funds:

X	115000	.00	.00
X	149000	.00	.00
X	200000	.00	.00
X	202000	.00	.00
X	222000	.00	.00
Total Fund 14000		.00	.00

Fund	Fund Desc	Beginning Month Balance	.00	Beginning Year Balance	.00
15000	Brogan's Frames CEBA Grant	Monthly Revenues	.00		
		Monthly Disbursements	.00		
		Ending Month Balance	.00		

		Monthly Totals	YTD Amount
X	101000	.00	.00
X	115000	.00	.00
X	149000	.00	.00
X	200000	.00	.00
X	202000	.00	.00
X	222000	.00	.00
Total Fund 15000		.00	.00

16000	Local Option Tax Fund-Sec Rds	Beginning Month Balance	87,842.95	Beginning Year Balance	54,035.38
		Monthly Revenues	17,350.54		
		Monthly Disbursements	35,785.89		
		Ending Month Balance	69,407.60		

		Monthly Totals	YTD Amount
3	1320 Local Option Sales & Serv. Tax	17,350.54	51,158.11
4	20000 Auditors Warrants Paid	35,785.89	35,785.89
Total Fund 16000		18,435.35	15,372.22

17000	Local Option Tax Fund-Pub Safe	Beginning Month Balance	35,334.15	Beginning Year Balance	31,108.19
		Monthly Revenues	2,168.82		
		Monthly Disbursements	.00		
		Ending Month Balance	37,502.95		

		Monthly Totals	YTD Amount
3	1320 Local Option Sales & Serv. Tax	2,168.82	6,394.76
Total Fund 17000		2,168.82	6,394.76

01/03 12:03:27

Treasurer General Ledger

6

For the Month of June

2002/2003

Processing Date 6/30/2003

Funds:

	Monthly Totals	YTD Amount
X 101000	.00	.00
X 115000	.00	.00
X 149000	.00	.00
X 200000	.00	.00
X 202000	.00	.00
X 222000	.00	.00
Total Fund 14000	.00	.00

Fund	Fund Desc	Beginning Month Balance	Monthly Revenues	Monthly Disbursements	Ending Month Balance	Beginning Year Balance	YTD Amount
15000	Brogan's Frames CEBA Grant	.00	.00	.00	.00	.00	.00

	Monthly Totals	YTD Amount
X 101000	.00	.00
X 115000	.00	.00
X 149000	.00	.00
X 200000	.00	.00
X 202000	.00	.00
X 222000	.00	.00
Total Fund 15000	.00	.00

Fund	Fund Desc	Beginning Month Balance	Monthly Revenues	Monthly Disbursements	Ending Month Balance	Beginning Year Balance	YTD Amount
16000	Local Option Tax Fund-Sec Rds	58,859.77	16,903.78	21,728.17	54,035.38	63,180.04	

	Monthly Totals	YTD Amount
3 1320 Local Option Sales & Serv. Tax	16,903.78	206,776.90
4 20000 Auditors Warrants Paid	21,728.17	215,921.56
Total Fund 16000	4,824.39-	9,144.66-

Fund	Fund Desc	Beginning Month Balance	Monthly Revenues	Monthly Disbursements	Ending Month Balance	Beginning Year Balance	YTD Amount
17000	Local Option Tax Fund-Pub Safe	28,995.22	2,112.97	.00	31,108.19	8,578.84	

Treasurer General Ledger

For the Month of June

2002/2003

Processing Date 6/30/2003

Funds:

6

9-30-03 69,407.60 +
10-30-03 54,035.38 -
diff 15,372.22 *

..0..

Fund 14000

Monthly Totals

YTD Amount

.00	.00
.00	.00
.00	.00
.00	.00
.00	.00
.00	.00
.00	.00
.00	.00

..0..

as CEBA Grant

Beginning Month Balance
Monthly Revenues
Monthly Disbursements
Ending Month Balance

Beginning Year Balance

.00

Monthly Totals

YTD Amount

.00	.00
.00	.00
.00	.00
.00	.00
.00	.00
.00	.00
.00	.00
.00	.00

1. Fund 15000

1 Tax Fund-Sec Rds

Beginning Month Balance
Monthly Revenues
Monthly Disbursements
Ending Month Balance

58,859.77
16,903.78
21,728.17
54,035.38

Beginning Year Balance

63,180.04

Monthly Totals

YTD Amount

16,903.78	236,776.90
21,728.17	215,921.56
4,824.39	9,144.66

al Option Sales & Serv. Tax
itors Warrants Paid

tal Fund 16000

on Tax Fund-Pub Safe

Beginning Month Balance
Monthly Revenues
Monthly Disbursements
Ending Month Balance

28,995.22
2,112.97
.00
31,108.19

Beginning Year Balance

8,576.84

16,903.78 +
35,785.89 *
35,785.89 *

..0..

..0..

69,407.60 +
35,785.89 -
33,621.71 *

To Terrie ☐ URGENT
Date 10/7/03 Time 3:05 ☒ A.M.
☐ P.M.

WHILE YOU WERE OUT

From Anita

of _____

Phone _____

Fax _____

Area Code Number Ext.

Area Code Number

Telephoned	<input type="checkbox"/>	Please Call	<input type="checkbox"/>
Came to see you	<input checked="" type="checkbox"/>	Wants to see you	<input type="checkbox"/>
Returned your call	<input type="checkbox"/>	Will call again	<input type="checkbox"/>

Message brought this
to you.

Signed _____

\$ 51,128.11

AUDITOR'S OFFICE OF MONTGOMERY COUNTY, IOWA

To the Treasurer of Montgomery County, Iowa:

Date 12-29-03

YOU ARE HEREBY AUTHORIZED TO TRANSFER

From five hundred one fifty eight 1/100 DOLLARS
to Secondary Roads Fund
Out of any of said Fund in the County Treasury not otherwise appropriated. Fund

BY ORDER OF THE BOARD OF SUPERVISORS

2092 16000-4-10300-512-20-510

No. 20 000-3-10300-9040-20-510

Eugene Magnusson County Auditor
Alvin Brumhall Chairman Board of Supervisors

and present danger. Carmichael would like to see for the sake of the county and sake of safety, fixed as soon as possible. Carmichael stressed this makes a serious request. Rasmussen said they were capable of making repairs, and he has these everywhere. Rasmussen said the county couldn't afford to fix every one in a year. Carmichael said he's not talking of fixing all of them; he's asking to fix this one now.

County Attorney Swanson: Explained he was asked to look at two city ordinances and come report to the board on them (ordinances passed by the Red Oak City council). The ordinances refer to citizens living outside the city, hook up water and sewer with the city, the subscriber will have to ask for annexation. Swanson had asked city administrator Brad Wright to come to the board of supervisor's meeting. Swanson didn't know if a county ordinance would be counter productive. Swanson said the city annexes any time they want. Swanson said he knows when that happens the county would lose revenue, but doesn't see how that can stopped. The city needs to grow and provide services as they grow. Wright said he thinks it's been a mistake in the past by extending services outside the city limits by use of tax incentives, by spending city tax dollars outside the city limits, with no tax revenue back. There are some commercial business looking into certain areas outside the city limits and that's why they moved fast at this time.

In other discussion, Carlson told Wright he felt comfortable putting in speed bumps at the County Fair building site. Wright said that's between the board and the County fair board.

The board asked Swanson about the LOST. Swanson said he was working with the City Attorney, Tom Stamets, City Administrator Brad Wright, and Commissioner of Elections Connie Magnuson.

Rex Galloway: Was present in the board of supervisor's meeting, in hopes to pass a resolution to welcome large livestock enterprises in Montgomery County. Galloway explained Adams County had passed a resolution against large livestock operations. Galloway discussed the matrix resolution, and the county zoning ordinance. Galloway said 331.4a state code says, shall not adopt or enforce such a resolution unless expressed by state law. Chapter 147 refers to the board of health. Galloway said all that is left is the health of the citizens of your county. A county ordinance can be overruled by the state. Dorothy Franek was present and had researched large livestock enterprise and approached topics of concern: There is more to this issue than ground water and surface of the earth. Franek would like the board to look into this further and take more time before passing a resolution. Franek said there is more to it than ground water and surface of the earth. Galloway said there can be nothing done in regards to bringing in a large livestock confinement, as the State controls. Benksin read the resolution as provided by Galloway:

Whereas, the Montgomery County Board of Supervisors is apprised of and duly aware of various out of state inquiries from large livestock enterprises regarding relocation within Montgomery County, and

Whereas, the welfare of all Montgomery County citizens must be carefully guarded and respected, and

Whereas, the responsibility of care and concern by the Montgomery County Board of Supervisors extends to the environmental quality of air, water and health for all of Montgomery County Citizens, and

Whereas, these concerns must be balanced with the economic health of the county, both city and rural:

Therefore: Be it Resolved that the Montgomery County Board of Supervisors hereby extends a welcome to these large livestock enterprises when they demonstrate proactive social responsibility and conformity to an approved construction evaluation by both the Iowa Department of Natural Resources and the Montgomery County Board of Supervisors.

Carlson asked what the negative side is if we don't adopt this. Galloway explained this is a proactive way of approaching the large livestock issue. Carlson asked what is the labor force? Galloway said all kinds of people.

Motion by Carlson, second by Carmichael to table any decision on the large livestock initiative resolution.

Ayes: Carlson, Carmichael, Vannausdle, Stoldorf, Benskin

Nays: None.

Motion carried.

Chairman Benskin called for a motion to award the bid for a new vehicle for the Weed Commissioner/Roadside Manager, tabled 9/11/03. Motion by Stoldorf to approve the low bid by Belt GM in the amount of \$19,795.05 that includes two trade-in vehicles.

Benskin called for a second to the motion. Second by Vannausdle. Discussion. Carlson

approached the board with three questions/concerns. 1. Can we consider a used pickup? 2. If we buy a pickup, we're going to pay for it in full. We're not going to pay in payments, because we don't know where the money's going to come from next year. 3. John, how many maintenance pickups do you have? Rasmussen said they have several pickups. The mileage ranges from 150-200 thousand. Rasmussen said he has three that are '95 or newer. Carlson asked if there wasn't a pickup for the Weed Commissioner to use. Rasmussen said Damien Bond wants a bed sprayer; that it's difficult to change in and out. Carlson said in conversations with other counties, they are doing away with roadside management to save money. Rasmussen said you can change your program, but you still have to take care of the weeds. Benskin said you have two-old vehicles and you go get a used vehicle, short box, club cab, you're set up for camping. Benskin said the used pickups are shot and you can't find a work truck. Stoldorf said they need to provide tools for the people to do their job. Supervisor Carlson said there is nothing wrong with waiting until March because there is going to be repercussions if they buy a new pickup. Benskin said it is in the budget and if we buy used, we're running from depreciation; and that's not good business. Carlson said we need to tighten our belt. Rasmussen said these people (the car dealership) are also taxpayers and fear is what has driven our economy to where we are now. Carmichael said when people go back to work they pay taxes. Whatever happens, we're going to be held accountable. Butch Belt who was present at the meeting, said the board has a general broad idea of what things cost, and time shouldn't be wasted (the board's and the dealers) if they aren't serious about accepting bids. Carlson apologized to the dealers, and reminded them he had voted against the bid in the first place. Stoldorf asked Chairman Benskin to vote this up or down.

Roll call. Ayes: Stoldorf, Benskin

Nays: Carmichael, Carlson, Vannausdle

Motion failed.

Motion by Carlson to approve payroll \$101,615.82. Second by Carmichael. No discussion.

Roll call. Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None

Motion carried.

The board read the minutes of September 25 and September 29, 2003. Stoldorf wanted to table the minutes until next week. Chairman Benskin called for any corrections to said minutes. Benskin said he didn't see anything wrong with them. The other board members said they saw nothing wrong with the minutes. The minutes stand as read.


Carlson said he was concerned about warrants, and wants to go through them and see where money is going. Carmichael said he would too, and to see if there is any place where they can conserve money.


Motion by Carlson, second by Carmichael to adjourn their regular session.

Roll call. Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None.

Motion carried.


MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN


ATTEST: CONNIE MACNESON, AUDITOR/CLERK TO THE BOARD

MONTGOMERY COUNTY BOARD OF SUPERVISORS
MINUTES
OCTOBER 9, 2003

At 9:00 A.M. Chairman Benskin called the regular session to order in the Board of Supervisor's room at the Courthouse.

Roll call: Present: Supervisors Carmichael, Carlson, Vannausdle, Stoldorf, Benskin.
Chairman Benskin called for the approval of the agenda.

Motion by Carmichael, second by Carlson to approve the agenda of October 9, 2003.

Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None.

Motion carried.

Carlson suggested in the future holding the board of supervisor's meeting in the basement meeting room when holding a department head meeting. So noted.

At 9:05 A.M. the board met with department heads. The following was reported:

County Attorney Swanson: keeping very busy and very challenged. Law enforcement is faring very well. There are eight different lawyers he has to work with now. Visited with Auditor Magnuson, and is very pleased to see the security system installed and working. We are now working on a security system on second floor and the courtroom. Swanson said this is a great idea at minimal cost. Swanson reported he visited with Auditor Magnuson about the Local Option Sales Tax. The board and the City need to submit to the Auditor by December 1, 2003 what they want on their ballots. Swanson said he doesn't have anything more to do with it, that they need to work with the Auditor. Stoldorf objected to the security system in the courthouse. Swanson said it was very good idea, is pleased, and looks at it as a positive. Swanson said Judge Smith was very adamant the security system is placed in the courthouse. Carmichael also said this is a situation that we need. Stoldorf said you can see someone coming in but you can't stop them.

Environmental Specialist Kathy Powers: Routine business.

General Relief Director Sonia Jackson: Been busy. Normal routine. Can sign up for heating assistance. Elderly and handicapped can sign up at West Central.

Public Health Office Manager Stephanie Watson: Starting flu clinics on Monday, October 20th for county employees. Bio-terrorism. A mock drill will be taking place in Waterloo due to the meningitis outbreak. Grant money is still coming in for bio-terrorism.

County Conservation Director Dick Price: Conservation wise, going to close Pilot Grove on the 15th, shut off water and electrical, and shut the gates. People can still use the park, and fish. He's going to cut some cedar trees and plant some cedar trees in Hacklebarney and Pilot Grove. Price said he's cutting employee's part time work, hopefully November 1. Horse trails being used more and more.

Treasurer Anita Walker: Reported approximately 5.3 million was collected in property taxes of which \$3,853,926.69 will be paid out on October 10, 2003, to the taxing entities. In addition on October 10, 2003, \$167,585.42 was paid to the state for motor vehicle and used tax revenue. After claims are paid on the 10th of October, 2003, there will \$556,254.97 left in General Basic.

Recorder Good: Staying busy. Selling a lot of deer tags. Things going as usual.

Veterans Affairs Director Dale Watt: Still going on. Still trying to get veterans into the VA hospital. Watt said he is getting hit hard on food and utility bills. Things aren't looking too good.

Engineer John Rasmussen: Morton Mills Bridge is open to traffic. Adams county bridge to open in January.

Walker asked the board how the flu shots would be paid for? Would employees pay for their flu shots, or would the county pick up the fee? Benskin said to leave it up to each department.

Stoldorf asked Swanson about the open pending lawsuit with the media. Everybody has made an answer. Has no intention except wait for the plaintiffs to set a trial date. Swanson said he is open to enter into a settlement. Swanson said he had some pretrial settlement offers that aren't on the table right now.

Engineer Rasmussen presented a Universal Payment Voucher to JFSCO. Motion by Stoldorf to approve a Universal Payment Voucher to JFSCO Engineering in the amount of \$6,926.50 for H14 Preliminary Survey and Engineering for Project STP-S-69(28)--5E-69 H14 Grant-Elliott Road. Second by Carmichael.

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None.

Motion carried.

Rasmussen wanted the board to consider a new excavator. Maintenance is high on the existing one. Rasmussen said he has a trade-in and \$160,000.00 in his budget to pay for it. The last excavator was purchased in 1991. Benskin said it sounds like the repairs and down time are costing; that you have to have tools to fix the roads. Benskin called for a motion to approve a bid opening date. Carmichael asked what a new excavator costs without a trade-in? Rasmussen

said about \$180,000.00. Motion by Carmichael to establish a bid letting date on an excavator for November 20, 2003, 10:00 A.M. in the boardroom of the courthouse. Second by Vannausdle. Carmichael called for the question.

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None.

Motion carried.

Rasmussen asked the board to approve rock and gravel lease for the county quarry in Section 17, Grant Township. Rasmussen reported on research he had conducted for Western Iowa Limestone, Inc. of Harlan, Shelby County, Iowa. The lease is guaranteed for one dollar to the county for signing the lease. This is red rock. Rasmussen projected in a period of 10 years, may bring in quarter of a million dollars and that will be deposited in the general basic fund as royalties. The level B road that will be used for access will need to be improved. Rasmussen said he found 600 thousand pounds of rock under the surface, and reported this quarry was once active. Rasmussen said the quarry became inactive because they had complaints cars were turning red; the quarry has been abandoned for a long time. Rasmussen said they would mix with limestone so there is less dust. The lease would be for a period of 10 years to the lessor, Western Iowa Limestone, Inc., Gary Hopp, President. The Lessor gives and grants to Lessee the exclusive right to the quarry for the purpose of developing, quarrying, crushing, or other wise processing said rock and gravel and like material, and removing said rock, gravel and like material from said real estate. Lessee would pay Lessor for this exclusive right .25 cents per ton for aggregate materials sold during the first two years of mining; .35 cents per ton for aggregate materials sold beginning the third year of mining; .45 cents per ton for aggregate materials sold beginning the 5th year of mining. Rasmussen said Swanson looked at the lease and said it was OK. Carlson wants to table and look at the site. Rasmussen said they would need to drill and test before they can open. Gary Hopp, President of Western Iowa Limestone, Inc., was present and said he is willing to go in and take a risk to see if there could be something done with the rock. Carlson said he wants to table this for now and look at the site. Benskin didn't see a problem in tabling for a week and all take a drive down there.

Motion by Carmichael to table an approval for the rock and gravel lease for the county quarry. Second by Carlson.

Roll call. Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin.

Nays: None

Motion carried.

Dorothy Franek presented her response to resolution on large dairy initiative. Montgomery must balance the environmental air, water and health of their residents. Too many corporations have gotten a foothold before many citizens know what is happening and that has impacted their lives. Franek brought a study by Iowa State University showing social economic impacts to large factory farms. Lets not welcome large confinements to the county, Franek said. Economic development does not take the place of a healthy environment. Carmichael said a week from Friday at 10:00 A.M. he is going to take a tour of a large animal confinement in Atlantic and invited anybody who wants to come along. Carmichael wants to find out the economic aspect and problems of the environment. Franek said she had asked Red Oak Express Steve Lega to put an article in the paper to encourage people to take that tour. Benskin said everybody wants economic development, but not in my yard.

Clarence Hoffman, County Risk Management Co. presented ICAP insurance. Hoffman wanted to talk about saving some money on insurance. The pooling mechanism is working. Sixty counties are currently in this program. You use a local agent, which is the county's choice. There is an accumulative reserve account. If you want out, you take your claims with you. If you have a lot of claims pending, nobody wants you. Hoffman explained, after you're in the program for six years, you become eligible for a dividend, and that premiums have been the same under this plan, since 1986, when it was created. There is not a guarantee that the county will get in. Three criteria: Your premiums depend on your claims history, safety-engineering program, and unity of the community within the county. Rick Taylor, of Davis Taylor Insurance Co. was present. Said he is an advocate of Montgomery County. Taylor said he has presented ICAP in the past, and the board has not been interested. Taylor said he is not an advocate of any insurance company, but of Montgomery County. Would do what the board wants, as their agent if they want to look into ICAP. Hoffman said he works with Jon Waltz, and would like to stay loyal to that agent. If the board decided to work with Taylor, he would get approval from his company. Taylor suggested the board visit with the City of Red Oak Council persons. How have they been treated? What is their experience? Are they happy with this program? Visit with other counties who are in this program. Carmichael said the City of Red Oak and the City of Villisca have been in this program since 1987, and we need to look at all alternatives. Taylor

said the board will have to make a decision in the next 60-90 days. Taylor said you don't want to be in the program if you're going to be apprehensive or unhappy.

No action.

At 11:00 A.M. Chairman Benskin left to attend an eye appointment.

Vice-Chairman Carmichael took the Chair.

Motion by Carlson, second by Vannausdle to approve the Treasurer's General Ledger Summary for the month of September 2003 in the amount of \$7,223,092.50. No discussion. Carlson called for the question.

Roll call. Ayes: Carlson, Vannausdle, Stoldorf, Carmichael

Nays: None

Motion carried.

Motion by Carlson, second by Stoldorf to approve a tax transfer from General Basic Fund to Secondary Roads fund in the amount of \$11,803.42.

Roll call. Ayes: Carlson, Vannausdle, Stoldorf, Carmichael

Nays: None

Motion carried.

Motion by Carlson, second by Stoldorf to approve a tax transfer from Rural Services Basic Fund to Secondary Roads Fund in the amount of \$268,980.11.

Roll call. Ayes: Carlson, Vannausdle, Stoldorf, Carmichael

Nays: None

Motion carried.

Motion by Carlson, second by Vannausdle to approve a tax suspension as submitted by the department of human services in the amount of \$1,060.00.

Roll call. Ayes: Carlson, Vannausdle, Stoldorf, Carmichael

Nays: None

Motion carried.

Motion by Carlson, second by Stoldorf to approve the Recorder's fees collected for the month of September, 2003 in the amount of \$17,700.99.

Roll call. Ayes: Carlson, Vannausdle, Stoldorf, Carmichael

Nays: None

Motion carried.

Motion by Stoldorf, second by Vannausdle to approve the transfer of local option sales tax in the amount of \$51,158.11 from local option sales tax fund/secondary roads fund to secondary roads fund. Discussion. Carlson said it is clear that the engineer will present at the department head meeting each month and give a report on where that money has been spent by secondary roads.

Roll call. Ayes: Carlson, Vannausdle, Stoldorf, Carmichael

Nays: None

Motion carried.

Carlson discussed past claims by departments. Carlson had been in and researched claims on each department. Carlson had a good report with most claims, but thought Mental Health should show better accountability with their mileage. Carlson asked Rasmussen if they could give accountability on mileage on county vehicles, to show accountability to the taxpayers.

The board reviewed claims to be paid on Friday, October 10, 2003.

Motion by Carlson, second by Vannausdle to approve claims to be paid on Friday, October 10, 2003 in the amount of \$164,741.45 and handwritten in the amount of \$44.56.

Roll call. Ayes: Carlson, Vannausdle, Stoldorf, Carmichael.

Nays: None

Motion carried.

The board read the minutes of October 2, 2003. Vice-Chairman Carmichael called for any corrections to said minutes. There were none. The minutes stand as read.

Public comment: Rose Keast: Don't bring in a third party to talk for another person. Table and bring that third party in to clarify the issue at hand.

Linda Southworth: Livestock operation tour-keep in mind not only the operations, but the environment.

Motion by Carlson, second by Vannausdle to adjourn 11:40 A.M..

Roll call. Ayes: Carlson, Vannausdle, Stoldorf, Carmichael

Nays: None

Motion carried.

Glen Benskin
MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN

Leland Carmichael
LELAND CARMICHAEL, VICE-CHAIRMAN

Connie Magnuson
ATTEST: CONNIE MAGNUSON, AUDITOR/CLERK TO THE BOARD

MONTGOMERY COUNTY BOARD OF SUPERVISORS
MINUTES
THURSDAY, OCTOBER 16, 2003

At 9:00 A.M. Chairman Benskin called the regular session to order in the board of supervisors room in the courthouse.

Roll call. Present: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin.

Chairman Benskin called for the approval of the agenda. Carlson called for discussion and discussed the following agenda items:

Agenda item 9F, approve partial abatement of taxes for Johnson & Bloom Partnership: Carlson invited the Assessor to come to the board room to explain the situation with this property.

Agenda item A, old business: Dorothy Franek is sick today, so won't be available to make her presentation.

Agenda item number seven: Jackie Laire representing E911 Executive Board for acquisition and financing of microwave system and recording system for communications; Carlson said he would like this agenda item put under discussion before a decision is made.

Chairman Benskin called for any other discussion. Stoldorf said she could address agenda item seven until Jackie gets there.

Motion by Stoldorf, second by Carmichael to approve the agenda.

Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None

Motion carried.

Assessor Vondielengen: Present to discuss the abatement for Johnson & Bloom Partnership. Vondielengen explained, in May of 2002 the Johnson Bloom owners had a controlled fire for a training exercise for the fire department for the property Bloom is requesting a partial abatement or refund, and the property was burned by the fire department. Vondielengen said Bloom had come to the board to discuss this property 2 or 3 times in July of 2002, wanting an abatement of taxes. Vondielengen said the buildings were standing as of January 1, 2002. The law provides for the assessment effective January 1, 2002, based on the condition they were in on that date. Vondielengen said she could not remove the value by law in July, for buildings that are gone. The abatement request is for values of 2002, and as of January 1, 2002, the buildings on that property were standing. Vondielengen has removed the building value on that property for 2003, only the land is assessed for that valuation year.

Motion by Carmichael to approve the abatement for Johnson & Bloom Partnership, parcel #161062925201100, location 601 W Coolbaugh St., Red Oak, Iowa, legal description SD LT 3 LTS 1 & 2 S1/2 SW NE SL1 SL3 section 29-72-38 due to fire in the amount of \$314.00. Motion died for lack of second.

Motion by Stoldorf that they do not abate these taxes because Stacey pointed out the building was standing, they made an assessment, so I make a motion that we do not abate these taxes for this year. Second by Vannausdle. Further discussion. Vondielengen said what she could see happening here, if you abate these, you might have people in asking for any abatement. You could set a precedence you might not want.

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None. Motion carried.

A letter would be sent to Johnson, Bloom Partnership informing them of the board of supervisor's decision concerning the abatement on their property.

No other action.

Engineer Rasmussen: Rasmussen said last week he had brought a lease for the County pit in Section 17, Grant Township and the decision was tabled in the 10/9 board of supervisor's meeting. Chairman Benskin read a memo from Vannausdle, thanking Rasmussen for the interest he took concerning the County pit, and bringing revenue into the county. Carlson said he had toured the site, and reviewed the lease. Carlson asked if there was anywhere in the lease that said where the rock is going. Rasmussen said there is not. Rasmussen brought a big sample of the rock. Carlson presented Iowa Code 309.66, use of gravel beds. The code reads as follows: The board of supervisors may permit private parties or municipal corporations to take materials from such acquired lands in order to improve any street or highway in the county, but it shall be serious misdemeanor for any person to use or for the board of supervisors to dispose of any such material for any purpose other than for the improvement of such streets or highways. Carlson said the request for lease cannot be passed. Rasmussen said he thought he had a code section that would allow this. Stoldorf told Rasmussen to look at 309.65. Doug Cashatt who was present, addressed the board with 2 interests. 1. As a taxpayer, a landowner of over 1200 acres of ground. 2. As general superintendent at Schildberg. As a taxpayer, Cashatt would like to support the people at Schildberg who also supports the county. Cashatt asked why this wasn't opened up to a bidding process. Linda Southworth who was at the meeting, said most of the board didn't know this was going on, and asked who authorized John to enter into negotiations and draw up the contract? Rasmussen said he didn't know that he was given any authorization. He was looking at this for some time. Rasmussen said "we drew up the negotiations". Gary Hopp of Western Limestone was present. Hopp said they will be employing people in the county, and is looking to expand down here. Hopp said the pit has been sitting there dead for a long time; now when somebody wants to do something with it, its controversial. Glen Christiansen who was present at the meeting, told the board he worked for the county a long time, and had worked out of that quarry. Christiansen said years ago, it was good, and they mined out enough to just use for fill. Christiansen said it's not feasible to use except for base. Carmichael said he has a deep concern the quarry has been closed since 1954. Carmichael said his understanding why they closed, is they ran out of useful rock. Carlson said Iowa code 309.66 seems clear, but advised the board to get legal help. Rasmussen said he had a code section (not with him) that said we could sell mineral rights; that these two code sections conflict. Stoldorf asked what was Swanson's opinion of this. Rasmussen answered, Swanson said we don't need to take bids; the lease looked OK. Hopp told the board the lease could be put through in such a fashion the rock would stay in the county.

Motion by Carmichael to table the approval the lease for county pit in Section 17, Grant Township.

Second by Carlson.

Stoldorf: If we lease out the county farm, why hasn't this been leased? Carmichael called for the question. Benskin said he appreciated John getting all this work for the county. Stoldorf: Where do we go from here? Carmichael: We have a motion on the floor. I have called for the question. Stoldorf: How do we know how to vote if we don't know what the next step is? Do we get Swanson involved? Carmichael: Mr. Chairman, we need to vote. The question has been called. Then we can discuss these issues. Stoldorf: How do we know how to vote if we don't know what our next step is? Carmichael: I explained the question has been called for. Let's vote.

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Benskin

Nays: Stoldorf.

Motion carried.

Carlson asked Benskin and Carmichael to get legal advice on this issue and bring back to the board next week. Benskin asked if John can go too? Linda Southworth said there are endangered artifacts at that site, so this will need to be looked into. Stoldorf said she still wants to know what our next step is. Cashatt said if this is opened up to interested parties, they have the right to inspect and examine. It's up to the board where to go from there. No other discussion.

Engineer Rasmussen Routine business: Still shouldering.

Carmichael told Rasmussen he was getting complaints of windrows with the gravel getting too close to the middle of the road. People have to straddle the windrow. Rasmussen said he is still maintaining 24 feet for the roadway even with the windrows there. Benskin said we can't please everybody.

Carlson brought out Resolution #9 concerning local option sales tax to be transferred from the local option sales tax fund and to the secondary roads fund and the local audit recommendation. Carlson said this recommendation protects us.

Rick Taylor: There to discuss the Clarence Hoffman ICAP presentation of last week. Taylor said Hoffman is a board member and owner of ICAP. It is a private risk pool. There are moneys being made here much to the same an insurance company does. It is a pool program put together by individuals who are selling it. The pool has no premium and is not the same as insurance. The insurance laws are very defined, but there are no laws governing pools. Pools don't have to file financial statements with the state or be audited. Taylor said ICAP and Insurance companies are two entirely different things, and felt the board needed the rest of the story. Taylor said it's essentially impossible to leave a pool once you're in it. If you do get out, you take all reported and unreported losses with you. Pools don't take premiums, they take contributions. If the pool has difficulties financially, they have every right to come back and ask for larger contributions from other counties to help another county out if they are in a financial bind. Will it save the county money? Taylor said, probably, and it would be the best thing to ever happen to him. The county wouldn't ever have to bid again, and the agent would be the county's insurance agent for a lifetime if written through the pool. Taylor said Montgomery County should look into the pool, and respectfully asks that he represents Montgomery County as their agent. Taylor said he has been the county's insurance agent since 1982, and knows the county. Taylor said if the board is thinking of doing this, time is of the essence. January 10th is the date the county's insurance is renewable. Taylor said premiums are going to be down.

Jackie Laire: Executive E911 Board met on October 2, 2003 discussing the need for the purchase of a new microwave system and recording system for communications. The Dictaphone is aged and has high maintenance costs. The microwave system, which is fifteen years old, and no long supported by maintenance, was discussed by the E911 board to replace both pieces of equipment and authorized Laire to look into financing. The board took a long look at both pieces of equipment, and decided to replace both pieces of equipment. Looked into a lease purchase. \$1200.00 per month for five years at 7.5% interest. Authorized Laire to do this, look at end of year, then pay off after one year. Leasing would require financing five years and cost approximately \$10,000.00 in interest. Houghton State Bank would use a five year base, 4% interest for the 1st year, and give the option for payoff after 1 year. Laire asked the board of supervisors to consider assisting with a loan. There is no provision in the law where the E911 could incur debt by loan. A 28E agreement would need to be signed between the two entities, with the agreement stating the loan would be paid off with E911 funding. Laire is asking a total price of \$60,000.00 (\$30,000.00 per unit). Carlson asked if Laire could pay \$30,000.00 for one now, and wait another year for the next one. Laire said she could take the suggestion to the E911 board. Laire suggested in putting \$20,000.00 down from their existing budget, and financing \$40,000.00. Carmichael suggested homeland security could help with federal funding. Laire said Sheriff Updegrave is currently looking into a grant for the communications side through emergency management.

Motion by Stoldorf for Laire to work with Swanson to work out a 28E Agreement and bring back to the board to work out then.

Second by Carmichael.

No discussion.

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None

Motion carried.

Motion by Carmichael, second by Carlson to approve the Sheriff's report of fees collected for the month of September, 2003 in the amount of \$5,241.30

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None

Motion carried.

Motion by Carlson, second by Carmichael to approve the Auditor's Quarterly Report of Fees Collected for quarter ending September 30, 2003 in the amount of \$358.50.

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None

Motion carried.

Motion by Carmichael, second by Carlson to approve the Clerk of Court's report of fees collected for the month of September, 2003 in the amount of \$402.27

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None

Motion carried.

Motion by Carmichael, second by Stoldorf to approve a pay increase for Jon Spunaugle from \$17.20 (75%) to \$17.89 (78%) due to promotion to K-9 Officer.

Chairman Benskin called for any discussion. Stoldorf asked if there are expenses related to the dog? Do we buy the food? Benskin said yes.

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None

Motion carried.

Motion by Carmichael, second by Carlson to approve a tax suspension as submitted by Department of Human Services in the amount of \$226.00.

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None

Motion carried.

Motion by Carmichael, second by Carlson to approve payroll to be paid in the amount of \$101,050.71 on Friday, October 17, 2003.

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None

General discussion. Local Option Sales Tax discussion needs to be on the agenda. Public input would be appreciated. It was decided the board of supervisors would meet at the following locations, on said dates with the public for input concerning the local option sales tax for ballot purposes:

November 3	7:00 P.M.	Stanton Fire Station
November 5	7:00 P.M.	Villisca Community Building
November 6	1:30 P.M.	Red Oak Fire Station
November 6	7:00 P.M.	Red Oak Fire Station
November 12	7:00 P.M.	Elliott Community Building

Carlson said he had gone through some claims to review mileage and meals. There isn't any consistency with meals. The board may want to consider setting a limit. No action.

Motion by Carmichael, second by Carlson to approve a handwritten warrant to purchase power in the amount of \$314.00.

Discussion: Stoldorf: Is this for lease purchase? Did you pay this out of debt service? What is it for? Who is Purchase Power? Auditor Magneson explained the warrant is for postage in the Auditor's office, and to eliminate any penalty fees, the claim needs to be paid by October 23.

Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin.

Nays: None

Motion carried.

The board read the minutes of October 9, 2003. Chairman Benskin called for any corrections to said minutes.

There were none.

The minutes stand approved as read.

Motion by Stoldorf, second by Carmichael to adjourn.

Roll call: Ayes: Carmichael, Carlson, Vannausdle, Stoldorf, Benskin

Nays: None

Motion carried.


 MONTGOMERY COUNTY BOARD OF SUPERVISORS
 GLEN BENSKIN, CHAIRMAN


 ATTEST: CONNIE MAGNESON, AUDITOR/CLERK TO THE BOARD

MONTGOMERY COUNTY BOARD OF SUPERVISORS
 MINUTES
 THURSDAY, OCTOBER 23, 2003

At 9:00 A.M. Chairman Benskin called the regular session to order in the board of supervisors room in the courthouse.

Roll call. Carmichael, Carlson, Vannausdle, Stoldorf, Benskin.

Chairman Benskin called for the approval of the agenda. Motion to approve agenda by Carmichael. Second by Carlson. Motion carried.

Board read minutes of October 16, 2003. The minutes stand approved as read.

9:30 A.M. Bid letting for Sheriff's vehicle. After some discussion concerning the need of a 4WD vehicle for the Sheriff's department, Chairman Benskin opened bids:

Belt GM: 2004 Chevy Blazer 4WD 4dr CT105076 \$20,181.00.

2004 Chevy Trailblazer 4 WD \$22,853.00.

Hawkeye Ford: 2004 Ford Explorer 4WD \$23,260.00.

Red Oak Chrysler: 2004 Jeep Grand Cherokee 4WD \$22,755.00.

Motion by Carlson to accept bid of Belt GM for 2004 Chevy Blazer \$20,181.00. Second by Carmichael. Roll call: Ayes: Carmichael, Carlson, Benskin. Nays: Stoldorf, Vannausdle.

Mickey Anderson of Red Oak Chrysler asked how they could accept a bid that didn't meet spec. Next on the agenda was discussion on the letter from Department of Corrections concerning the jail. Many questions asked: How long to do this fix? What is most feasible for now? What needs to be done for now? Sheriff Updegrave said the corrections still need to be done until we can do something more permanent. We still need to be able to house females and juveniles. Brad Wright, Red Oak City Administrator stated this is still an old building, is it feasible to do these cosmetic improvements?

A lot of discussion on financing a new jail, whether it be local option sales tax money or loans. Local option sales tax will have to be brought before the voters of Montgomery County as it runs out in March, 2004.

It was suggested that they meet with Mike Richardson the jail inspector and show him that we are serious about the corrections that need to be made.

Supervisor Carlson said he had talked to Richardson and he said they are not going to close the jail if we clean it up and do what needs to be done.

Next on the agenda: Jackie Laire presented the 28E Agreement between Montgomery County and Enhanced 911 Board:

28E Agreement

BE IT REMEMBERED on the dates set forth below that the Montgomery County board of Supervisors and the Montgomery County E-911 Executive board entered into this agreement per Chapter 28E of the 2003 Code of Iowa, as amended.

Now Whereas, the E911 Executive Board desires and needs to purchase a new Eventide 24 channel recording System and a new Western Multiplex/Lynx Circuit Switch network System for the Montgomery County Communication Center for a total cost of Sixty Thousand dollars (\$60,000.00), and;

Whereas, the Montgomery County E-911 Executive Board will prepay Twenty Thousand dollars (\$20,000.00). Said prepayment shall be from the current E911 2003-2004 fiscal year budget, and the balance shall be paid from the proceeds of a loan in the amount of Forty Thousand dollars (\$40,000.00) from the Houghton State Bank to Montgomery County c/o Montgomery County Board of Supervisors, and;

Whereas, said loan shall be repaid by the Montgomery County E-911 Executive Board per the terms of the promissory note between the Houghton State Bank and Montgomery County c/o Montgomery County Board of Supervisors, and;

Whereas, both parties agree that Montgomery County c/o Montgomery County Board of Supervisors shall pay no funds in excess of budgeted funds provided to the Montgomery County E911 Executive Board.

It is so agreed this 23 day of October, 2003

Glen Benskin/s
Chairman, Montgomery County
Board of Supervisors

Tony Updegrave/s
Chairman, Montgomery County
E-911 Executive Board

Attest: Connie Magnuson/s
Montgomery County Auditor
23rd day of October, 2003

Jackie Laire/s

23rd day of October, 2003

Motion by Stoldorf to accept this 28E agreement between Montgomery County Board of Supervisors and the Montgomery County E-911 Executive Board for purchase of Recording and Microwave equipment. Second by Vannausdle.

Roll call: Ayes: Vannausdle, Carmichael, Stoldorf, Benskin. Nays: Carlson. Motion carried.

MONTGOMERY COUNTY BOARD OF SUPERVISORS

MINUTES

SPECIAL MEETING

MONDAY, JUNE 30, 2003

At 1:45 P.M., Chairman Benskin called the special meeting to order. Roll call. Supervisor Carmichael, present. Supervisor Carlson, present. Supervisor Vannausdle, present. Supervisor Stoldorf, absent.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the agenda of the day. No discussion. Carmichael, yes. Carlson, yes. Vannausdle, yes. Benskin, yes. Motion carried.

At 1:47 P.M. the board continued to count cash at the Conservation department; then to Highland Annex to count cash at the General Relief Department, Board of Health & Sanitation; then to Engineer's Office, Sheriff's office, County Attorney's office, then to convene back in the courthouse.

Stoldorf arrived at 1:55 P.M.. Stoldorf left the courthouse to join the other 4 board members at the Conservation department.

At 3:45 P.M., motion by Supervisor Carmichael, second by Stoldorf to approve the tax transfer from the Rural Services Basic Fund to the Secondary Roads Fund in the amount of \$14,327.39. No discussion. Motion carried.

The board continued to count cash at the Recorder's office, Veteran Affairs office, CPC office, Assessor's office, Auditor's office, and finished in the Treasurer's office. The board recorded the cash count as follows:

<u>DEPARTMENT</u>	<u>CASH</u>	<u>CHECKS</u>	<u>TOTAL</u>
Conservation	\$ 0.00	\$ 0.00	\$ 0.00
General Relief	\$ 0.00	\$ 0.00	\$ 0.00
Public Health	\$ 0.00	\$ 0.00	\$ 0.00
Sanitarian	\$ 0.00	\$ 0.00	\$ 0.00
Engineer	\$ 0.00	\$ 0.00	\$ 0.00
Sheriff	\$ 1,940.00	\$ 0.00	\$ 1,940.00
County Attorney	\$ 0.00	\$ 0.00	\$ 0.00
Recorder	\$ 40.00	\$ 0.00	\$ 40.00
Veteran Affairs	\$ 0.00	\$ 0.00	\$ 0.00
CPC	\$ 0.00	\$ 0.00	\$ 0.00
Assessor	\$ 74.50	\$ 24.50	\$ 99.00
Auditor	\$ 0.00	\$ 0.00	\$ 0.00
Treasurer	\$ 2,474.00	\$ 11,401.50	\$ 13,875.50
CD's	\$ 600,000.00		
Money Markets & Savings	\$ 1,768,551.29		
Checking Accounts	\$ 524,980.91		
State Drivers License	\$ 100.00		
NSF Check-Jamie Johnson	\$ 78.00		

With no other business scheduled, the board adjourned directly after the cash count at approximately 5:30 P.M.

Glen T. Benskin

MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN


 ATTEST: CONNIE MAGNUSON, AUDITOR/CLERK TO THE BOARD

MONTGOMERY COUNTY BOARD OF SUPERVISORS

MINUTES

THURSDAY, JULY 3, 2003

At 9:00 A.M. Chairman Benskin called the regular session to order. Roll call. Supervisor Carmichael, present. Supervisor Carlson, present. Supervisor Vannausdle, present. Supervisor Stoldorf, present.

Motion by Supervisor Carmichael, second by Stoldorf to approve the agenda of the day. Carmichael, yes. Carlson, yes. Vannausdle, yes. Stoldorf, yes. Benskin, yes. Motion carried.

Richard Price, Conservation Director presented the board with an agreement from the board to amend the grants in his budget or his board will not accept any more grants for his department. Price is not asking for an immediate amendment, but an amendment before July 1, 2004. Magnuson explained a memo is sent to each department at the time an amendment is to be done, and it is the responsibility of each department to submit the revenues and expenses required to bring their department in line. The board agreed to the amendment. No other action.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve setting the public hearing date for Resolution #17 vacating approved dedication to public of portion of utility easements on Industrial Subdivision IV for July 10, 2003 at 10:00 A.M. in the Board of Supervisors room at the courthouse. Carmichael, yes. Carlson, yes. Vannausdle, yes. Stoldorf, yes. Benskin, yes. Motion carried.

Motion by Supervisor Carmichael to accept Resolution #20. Chairman Benskin read the Resolution as follows:

Whereas, Iowa counties are required to comply with the provision of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), including the standard transaction regulations which require that health plans use standard formats and codes when conducting common health care transactions electronically; and Whereas, cooperating with other counties for the purpose of creating an Electronic Transactions Clearinghouse in order to comply with the HIPAA standard transaction regulations will save time and money; and Whereas, an Electronic Transactions Clearinghouse could potentially have beneficial applications for counties far beyond HIPAA; Therefore, Be It Resolved By The Board Of Supervisors that this County does hereby enter into the Electronic Transactions Clearinghouse (ETC) 28E Agreement.

Glen Benskin/s, Chairperson

Attest: Connie Magnuson, Auditor/s

Carmichael, yes. Carlson, yes. Vannausdle, yes. Stoldorf, yes. Benskin, yes. Motion carried.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the library contracts for services for Montgomery County for Red Oak, Villisca, Stanton, and Elliott as follows: Red Oak, \$14,295.00; Stanton, \$3,774.00; Villisca, \$5,717.00; Elliott, \$4,345.00 for FY 2003/2004. Carmichael, yes. Carlson, yes. Vannausdle, yes. Stoldorf, yes. Benskin, yes. Motion carried.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the County Auditor's Report of Fees Collected for quarter ending June 30, 2003 in the amount of \$206.00. Carmichael, yes. Carlson, yes. Vannausdle, yes. Stoldorf, yes. Benskin, yes. Motion carried.

Roads and take the other ½ out of Rural Services Basic to Secondary Roads. No discussion. All in favor: Carmichael, Carlson; opposed: Stoldorf. Motion carried.

Motion by Supervisor Carlson, second by Supervisor Carmichael to accept the budget for fiscal year 2003/2004. Discussion. Carlson explained the cut to the public health and that public health and law enforcement are important at this time. Shari Clark, who was present for Nishna Productions, asked what the mental health levy was. Benskin stated they were at 76%. Clark stated her concern was about the county's ability to draw down state dollars, if it had dropped. No further discussion. Roll call vote. Carmichael, aye; Carlson, aye; Stoldorf, no; Benskin, aye. Motion carried.

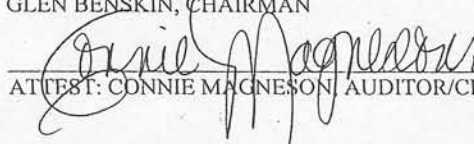
Motion by Supervisor Carlson, second by Supervisor Carmichael to approve the notice of public hearing for publication. No discussion. Motion carried.

The board discussed the handling of the agenda. Supervisors Carlson and Carmichael volunteered to go visit with County Attorney Swanson next week about doing the agenda for the board.

The board discussed seeing off the National Guard unit on Thursday. Benskin stated we should meet at 9:30 A.M.. Walker asked the board if they could close offices to see the guard off, what were their intentions. Benskin asked if could leave up to department heads? Carlson asked if could ask one person to stay behind. Carmichael stated that maybe they could leave that up to the department head. Benskin stated they could not make a decision today since it was not on the agenda.

With no further business before the board, motion by Supervisor Carmichael, second by Supervisor Carlson to adjourn the special session at approximately 2:20 P.M.. No discussion. Motion carried.


 MONTGOMERY COUNTY BOARD OF SUPERVISORS
 GLEN BENSKIN, CHAIRMAN


 ATTEST: CONNIE MAGNUSON, AUDITOR/CLERK TO THE BOARD

MONTGOMERY COUNTY BOARD OF SUPERVISORS

MINUTES

THURSDAY, FEBRUARY 27, 2003

At 9:00 A.M. chairman Benskin called the regular session to order. Roll call. Supervisor Carmichael, present. Supervisor Vannausdle, absent. Supervisor Carlson, present. Supervisor Stoldorf, present.

Motion by Supervisor Carlson, second by Supervisor Carmichael to approve the agenda of the day. Motion carried.

At 9:05 A.M. the board met with Sheriff Updegrave. Updegrave requested a date to be set for air exchanger bid letting. Motion by Supervisor Stoldorf, second by Supervisor Carlson to approve a bid letting date of March 20, 2003 at 9:05 A.M. in the Board of Supervisors room. No discussion. Motion carried.

The communications contract with the City of Red Oak was corrected to adjust the 1.4% in salaries. \$75,191.00 is the dollar amount to be reimbursed by the City of Red Oak for the joint

communications. Motion by Supervisor Stoldorf, second by Supervisor Carmichael to approve the City of Red Oak's cost sharing to be reimbursed by the City of Red Oak. No further discussion. Motion carried.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the transfer from General Basic Fund to the General Supplemental Fund for an interfund loan in the amount of \$25,000.00. No discussion. Motion carried.

The Treasurer presented a Statement of Account by Fund showing the General Basic Fund in the amount of 294,838.68; the General Supplemental Fund in the amount of \$45,714.11; the Rural Services Basic Fund in the amount of \$53,676.43; Rural Services Supplemental Fund in the amount of \$5,477.08. No discussion.

The board reviewed claims to be paid on Friday, February 28, 2003. The board discussed some claims. Supervisor Carlson noted the Assessor was paying Vanguard at \$240.00; and GIS at \$1,800.00. Carlson stated you may like GIS but it is expensive to keep it up.

At 9:30 A.M. the board met with Engineer Rasmussen who reported routine business. Morton Mills crew moved in to work as of Monday. Adams/Montgomery County bridge on old 34 looking at August for that one. DOT bid letting. Split cost with Adams County. Correspondence back for grant money for two city bridges - Villisca and Grant - State offered 15 bridges to be covered. Funds are close but not approved this time. Going to propose to do some railroad crossings with grant moneys. No action.

At 9:45 A.M. the board met with Axel Larson who explained he had given permission to have a trailer house moved in on his property. The property has been abandoned and repossessed by a finance company. Larson is being charged with taxes for the trailer. However, he does not own the trailer. The taxes are \$241.10 for this year and \$245.00 for last year. Larson stated the trailer is valued by the Assessor way more than is worth. Supervisor Carlson said they would contact the County Attorney and get right back to Larson. No other action.

At 10:00 A.M. the board met with Kathy Swanson, executive Director of Domestic Violence Program. Swanson reviewed with the board the accomplishments of Domestic Violence Education & Shelter. Over 80 volunteers provided hundreds of hours of service, along with staff, to prepare for the grand opening of our shelter facility in February of 2002, with actual opening to residents in April. There are currently room for two families, with two more rooms and a bath awaiting adoption for remodeling. There has been established a reciprocal agreement with the neighboring victim service agency in Atlantic to provide continuous crisis line coverage for victims 24 hours/day, 7 days/week. There has been secured a gift in the amount of \$5000 from the City of Shenandoah to install new furnaces and central air conditions at the shelter. Funds were matched by private donations. The agency has provided CDAA Level I training opportunities to staff and potential volunteers. Funding has been received by federal rural grant; State and Federal Funds from Crime Victim Assistance Division; Iowa Department of Economic Development via their Homeless Shelter Operations grant; Local United Way Grant; various cash and in-kind donations from surrounding community groups and individuals. Total projected program grant budget for the current fiscal year July 2002-June 2003 is \$230,189.00 plus private donations. In FY July 1, 2001-June 30, 2002 there were 167 total victims served: 59 Page County; 39 Mills County; 55 Montgomery County; 8 Fremont County; 6 Other.

Swanson asked the board for a board member designee from Montgomery County. The board informed Swanson of the appointment of Margaret Stoldorf. Stoldorf said she was appointed because she was female.

Swanson also asked the board for a letter of recommendation to apply for a grant. This has been done in the past by the board of supervisors. Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the letter of support and memorandum of understanding that strongly supports this program and requests serious consideration for funding for grants of this coordinated rural effort too increase the accountability of offenders of domestic abuse and sexual assault. No further discussion. Motion carried.

Motion by Supervisor Carmichael, second by Supervisor Stoldorf to approve claims in the amount of \$165,741.76 and handwritten in the amount of \$28,052.05. No further discussion. Motion carried.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve Resolution #8 as follows:

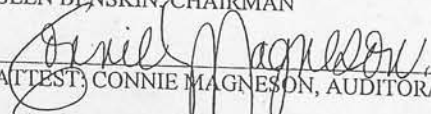
Construction Evaluation Resolution

Whereas, Iowa Code section 455B.200E, passed by the Iowa Legislature in 2002, sets out the procedure if a board of supervisors wishes to adopt a "construction evaluation resolution" relating to the construction of a confinement feeding operation structure; and Whereas, only counties that have adopted a construction evaluation resolution can submit to the Department of Natural Resources (DNR) an adopted recommendation to approve or disapprove a construction permit application regarding a proposed confinement feeding operation structure; and Whereas, only counties that have adopted a construction evaluation resolution and submitted an adopted recommendation may contest the DNR's decision regarding a specific application; and Whereas, by adopting a construction evaluation resolution the board of supervisors agrees to evaluate every construction permit application for a proposed confinement feeding operation structure received by the board of supervisors between March 1, 2003 and January 31, 2004 and submit an adopted recommendation regarding that application to the DNR; and Whereas, the board of supervisors must conduct an evaluation of every construction permit application using the master matrix as provided in Section 455B.200F, but the board's recommendation to the DNR may be based on the final score on the master matrix or may be based on reasons other than the final score on the master matrix; Now, Therefore, Be It Resolved By The Board Of Supervisors Of Montgomery County that the Board of Supervisors hereby adopts this construction evaluation resolution pursuant to Iowa Code section 455B.200E.

Glen Benskin/s, Chairman dated 02/27/03 Attest: Connie Magnuson/s County Auditor 2/27/03.

With no other business at hand, motion was made by Supervisor Carlson, second by Supervisor Carmichael to adjourn their regular session to attend a 28E Agreement with Mills County Board of Supervisors on the CPC, Mental Health Coordinator, Sara Ketcham, then on to a SWIPCO meeting in Atlantic, Iowa. No discussion. Motion carried.


MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN


ATTEST: CONNIE MAGNESON, AUDITOR/CLERK TO THE BOARD
MONTGOMERY COUNTY BOARD OF SUPERVISORS

MINUTES

THURSDAY, MARCH 6, 2003

At 9:00 A.M. Chairman Benskin called the regular session to order. Roll call. Supervisor Carmichael, present. Supervisor Carlson, present. Supervisor Stoldorf, absent.

Motion by Supervisor Carlson, second by Supervisor Carmichael to approve the agenda of the day. No discussion. Motion carried.

Stoldorf present at 9:05 A.M..

is sitting back in that chair. Swanson stated he told Carlson to get it on the agenda and discuss it. Carlson wants that on the agenda. No action taken.

Benskin asked about the farm contract that needed to be signed. Carmichael informed Benskin that he had taken care of this since Benskin had been unavailable to sign.

With no other business before the board, motion by Supervisor Carmichael, second by Supervisor Carlson to adjourn the regular session at 11:35 A.M.. No discussion. Motion carried.

Glen C. Benskin
MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN

Connie Magnuson
ATTEST: CONNIE MAGNUSON, AUDITOR/CLERK TO THE BOARD

MONTGOMERY COUNTY BOARD OF SUPERVISORS

MINUTES

THURSDAY, APRIL 3, 2003

At 9:00 A.M. Chairman Benskin called the regular session to order. Roll call was taken. Supervisor Carmichael, present. Supervisor Vannausdile, absent. Supervisor Carlson, present. Supervisor Stoldorf, present.

Supervisor Carlson brought up that we need our Auditor at the 1:00 P.M. meeting today with the other three board members since they were the ones who filled out the report. Benskin agreed with that. The board would discuss this with Swanson.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the agenda of the day. No discussion. Motion carried.

The board read the minutes of February 14, February 19, February 20, and February 21. Chairman Benskin called for any additions/corrections. There were none. Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the minutes of February 14, February 19, February 20, and February 21 as read. No discussion. Motion carried.

Motion by Supervisor Carmichael; second by Supervisor Carlson to approve the payroll to be paid Friday, April 4, 2003 in the amount of \$103,915.45. No discussion. Motion carried.

The board met with Brad Wright regarding an ordinance to amend provisions pertaining to residential solid waste collection and disposal. Swanson told the board they would not adopting an ordinance today because they have to come up with a unit based ordinance, a hearing must be set, and the proposed ordinance must be published. Swanson gave the board a copy of the City of Grant's ordinance modified for the county. Swanson will have the proposed ordinance and the board can set a date for public hearing, publish, and adopt at the hearing. Motion by Supervisor Carlson, second by Supervisor Carmichael to have Swanson draft the ordinance. No discussion. Motion carried.

At 9:32 A.M. the board met with Engineer Rasmussen. Rasmussen presented the board with a wage increase for Marlin Peterson. Rasmussen stated the blade operators are hired at a lower rate, then after 18 months they are brought up to the same level as the other operators. Supervisor Carmichael asked if this would fall within the guidelines set previously set by the board of no new pay increases. Rasmussen stated he didn't look at this as a pay increase. Kirshen said that this was not a pay increase but was a change in level. Supervisor Carlson stated he wanted to make sure what they said before. Chairman Benskin felt this would apply here. Motion by Supervisor Carlson, second by Supervisor Carmichael to table the wage increase for Marlin Peterson for one week. Discussion. Supervisor Carmichael stated the board made a

commitment to watch wages. Rasmussen stated he made a commitment to the employee. Roll call vote. Carmichael, yes; Stoldorf, no; Carlson, yes. No further discussion. Motion carried.

Chairman Benskin was asked for his vote. Swanson asked Benskin why he did not vote. Benskin stated he was not to vote unless to break a tie. Swanson stated that his district should be represented. Benskin's vote is yes. Benskin asked if he was to vote all the time. Swanson stated he was.

Rasmussen presented a resolution for county dust control policy. Chairman Benskin read the resolution as follows:

Resolution #10
Dust Control

WHEREAS, The County recognizes the desire for rural landowners to control dust on aggregate surfaced roadways; and in turn wishes to provide for annual permits to facilitate those landowners that choose to pursue dust abatement.

WHEREAS, The County shall not bear additional expense due to the changed road conditions caused by the incorporation of dust suppressing materials. Further, the County in its' best discretion will endeavor to preserve those areas permitted and treated as provided for in this resolution. The County shall not make any warrantee on the quality of any method or material selected by the applicant, nor replace disturbed materials due to maintenance required in the interest of the traveling public's safety.

THEREFORE BE IT RESOLVED, that Contractors who desire to provide these services within the County shall make written application with Montgomery County Secondary Roads Department. The applicant shall comply with the Montgomery County Policy for Dust Control on file at the Montgomery County Secondary Roads Department.

The fees of all permits shall be adjusted annually by the County Engineer to recover costs associated with the change of operations associated with the dust control treatment.

MONTGOMERY COUNTY BOARD OF SUPERVISORS:

S/Glen Benskin, Chairman, Montgomery County Board of Supervisors April 3, 2003

ATTEST: S/Connie Magneson, Montgomery County Auditor April 3, 2003
By Cheryl Miller, Assistant Auditor

Motion by Supervisor Stoldorf, second by Supervisor Carmichael to approve the resolution as read and leave the administration to the Engineer's department. Discussion: Carmichael asked if the individual requesting pays for the service. Rasmussen stated they did. Roll call vote. Carmichael, yes; Stoldorf, yes; Carlson, yes; Benskin, yes. Motion carried.

At 9:58 A.M. the board met with Sheriff Updegrave who presented a new hire as a part-time dispatcher. Motion by Supervisor Carmichael, second by Supervisor Carlson to approve Rene Limbrick as a part-time dispatcher at \$9.50 per hour effective March 28, 2003. No discussion. Motion carried.

Updegrave requested the board set a date to open the bids received for the air exchanger at the jail that was to be held March 20th, but the board did not meet that day. Motion by Supervisor Stoldorf, second by Supervisor Carlson to set the date of April 10, 2003 at 9:05 A.M. To open the bids received on March 20th. No discussion. Roll call vote. Carmichael, yes; Stoldorf, yes; Carlson, yes; Benskin, yes. Motion carried.

Updegrave told the board after the recent bomb threat at the courthouse, he would like to have some cameras installed for courthouse security. Updegrave asked the board to table this he could not get all the information he needed for today. Motion by Supervisor Stoldorf, second by Supervisor Carmichael to table the camera discussion until April 17. Motion carried.

At 10:05 A.M. Drey discussed a toxic cleanup day for this fall. It has been a few years since the county has had one. Drey told the board it will cost the county money. He informed the board of

some meetings coming up. Wright stated that landfill commission posted an agenda because several members may attend. Supervisor Carlson asked Wright if the city could do this this time. Wright said that the recycling fund could be used for a portion of the fee. Drey stated the proposal deadline is May 9th. Supervisor Carmichael asked Wright to hold a special landfill meeting to discuss this possibility. No further discussion.

Drey presented a seminar on parliamentary procedures for communities distributed by Iowa State University. Drey also gave the board a handout titled What to Say for certain procedures to be followed correctly.

Motion by Supervisor Stoldorf, second by Supervisor Carmichael to appoint Glen Benskin to West Tarkio Watershed Steering Committee. No discussion. Roll call vote. Carmichael, yes; Stoldorf, yes; Carlson, yes; Benskin, yes. Motion carried.

Motion by Supervisor Stoldorf, second by Supervisor Carmichael to appoint Bob Allen as landowner member to West Tarkio Watershed Steering Committee. No discussion. Roll call vote. Carmichael, yes; Stoldorf, yes; Carlson, yes; Benskin, yes. Motion carried.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve a 6 month Class B beer permit and Sunday sales permit for Villisca Golf Club effective April 14, 2003 to October 14, 2003. No discussion. Roll call vote. Carmichael, yes; Stoldorf, yes; Carlson, yes; Benskin, yes. Motion carried.

Supervisor Carlson stated he did not think there was a motion needed for the other board members to discuss things with the Auditor. Benskin stated we need to discuss things with the Auditor. No action taken.

Chairman Benskin stated they had moved his desk and the table some and set up chairs. Benskin stated it seems to be working today. No action taken.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the County Auditor's report of fees collected for the quarter ended March 31, 2003 in the amount of \$168.31. Roll call vote. Carmichael, yes; Stoldorf, yes; Carlson, yes; Benskin, yes. Motion carried.

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve a tax transfer from General Basic Fund to Secondary Roads Fund in the amount of \$1,940.46. No discussion. Roll call vote. Carmichael, yes; Stoldorf, yes; Carlson, yes; Benskin, yes. Motion carried.

Motion by Supervisor Carmichael, second by Supervisor Stoldorf to approve a tax transfer from Rural Services Basic Fund to Secondary Roads Fund in the amount of \$24,609.72. No discussion. Roll call vote. Carmichael, yes; Stoldorf, yes; Carlson, yes; Benskin, yes. Motion carried.

Motion by Supervisor Carmichael to approve an interfund loan transfer payback from the General Supplemental Fund to the General Basic Fund in the amount of \$50,000. Discussion. Supervisor Carlson wanted to talk to Treasurer Walker about paying part of it back now. The motion died for lack of a second.

Motion by Supervisor Carlson, second by Supervisor Carmichael to table the interfund loan transfer payback until this afternoon. No discussion. Roll call vote. Carmichael, yes; Stoldorf, no; Carlson, yes; Benskin, yes. Motion carried.

Motion by Supervisor Carlson, second by Supervisor Carmichael to set the date of public hearing for the fiscal 2003/2004 budget amendment for May 8, 2003 at 11:00 A.M.. Discussion. Stoldorf asked if we knew what was amended. Swanson said it was a perfunctory item that is done every year. Carlson said that there were mandates handed down to the departments. Roll call vote. Carmichael, yes; Stoldorf, yes; Carlson, yes; Benskin, yes. Motion carried.

The board then discussed the budget appeal for FY budget 2003/2004. Chairman Benskin asked

to work something out so that Magneson could be here to discuss this with the board. Swanson stated he thinks that Magneson needs to be there for the appeal on Wednesday and that he also needs her for the afternoon meeting with the HIPAA representatives. Swanson stated he would not be able to attend the meeting this afternoon. Swanson stated this is something he wants solved. Carmichael stated it was imperative that Magneson be here this afternoon.

Benskin stated that Magneson should be at the budget appeal. Swanson stated you should have your chief financial officer at the meeting. Carlson stated that the 4 board members would be there to take the heat. Carlson stated the board made a mistake in not having copies of the budget available at the hearing. Carmichael stated he has been involved with 9 budget hearings and never had to have anything presented, this is unprecedented. Carmichael stated he has served under tow auditors and this has never been done. Swanson stated this should be done in the future. No further discussion.

At 12:10 P.M. Chairman Benskin called for a recess until 1:00 P.M.

At 1:00 P.M. The board reconvened to meet with Lance Brooke and Peggy Hatley from Professional Health Care Support Services. Brooke and Hatley presented to the board the GAP analysis findings for HIPAA. Hatley went through the deadlines and requirements of being in compliance with HIPAA. Brooke stated they need help from the privacy official to get the implementation started. Brooke stated they have a forms packet that they would e-mail to the privacy official to look at to see if changes need to be made and that they needed to have an e-mail address for Swanson the privacy official.

Brooke told the board the contract was for \$5,000 for implementation, your bill is currently at \$2,035 which he would recommend using the remaining funds for implementation and address this when and if we reach \$5,000. Brooke would have Tucker get a revision for the contract to the board. Brooke said that chances are we will not be going 4/14/03. Brooke said that the board needs to let them know as soon as possible what they want to do. Hatley wanted to know if we want them to help us. If the county wants them to help they can get the information.

Motion by Supervisors Carmichael, second by Supervisor Stoldorf to have Professional Health Care Support Services assist us with the implementation of HIPAA documents, and the assessment and implementation not to exceed \$5,000 previously approved. No discussion. Roll call vote. Carmichael, yes; Stoldorf, yes; Benskin, yes. Motion carried.

Alan Kirshen asked if the county would be better off waiting until they are forced to implement, it was a high cost for the taxpayer to pay. Hatley stated the county could face a \$250,000 fine. Brook stated HIPAA is a federal mandate, however if you decide not to comply you are putting the county at risk. Brooke told the board to have Swanson contact them and they can get started with the implementation.

At 2:05 P.M. Supervisor Carlson returned. Carlson stated he had talked to Treasurer Walker and we have the money now to pay back the interfund loan transfer payback and we may not later. Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the interfund loan transfer payback from the General Supplemental Fund to the General Basic Fund in the amount of \$50,000.00. No discussion. Roll call vote. Carmichael, yes; Stoldorf, yes; Carlson, yes; Benskin, yes. Motion carried.

With no further business before the board motion by Supervisor Carmichael, second by Supervisor Carlson to adjourn the regular session at 2:09 P.M.. No discussion. Roll call vote. Carmichael, yes; Stoldorf, yes; Carlson, yes; Benskin, yes. Motion carried.

Glen Benskin
MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN

ATTEST: CONNIE MAGNESON, AUDITOR/CLERK TO THE BOARD

Motion by Supervisor Carmichael, second by Supervisor Carlson to approve Resolution #8 as follows:

Whereas, Iowa Code section 455B.200E, passed by the Iowa Legislature in 2002, sets out the procedure if a board of supervisors wishes to adopt a "construction evaluation resolution" relating to the construction of a confinement feeding operation structure; and Whereas, only counties that have adopted a construction evaluation resolution can submit to the Department of Natural Resources (DNR) an adopted recommendation to approve or disapprove a construction permit application regarding a proposed confinement feeding operation structure; and Whereas, only counties that have adopted a construction evaluation resolution and submitted an adopted recommendation may contest the DNR's decision regarding a specific application; and Whereas, by adopting a construction evaluation resolution the board of supervisors agrees to evaluate every construction permit application for a proposed confinement feeding operation structure received by the board of supervisors between March 1, 2003 and January 31, 2004 and submit an adopted recommendation regarding that application to the DNR; and Whereas, the board of supervisors must conduct an evaluation of every construction permit application using the master matrix as provided in Section 455B.200F, but the board's recommendation to the DNR may be based on the final score on the master matrix or may be based on reasons other than the final score on the master matrix; Now, Therefore, Be It Resolved By The Board Of Supervisors Of Montgomery County that the Board of Supervisors hereby adopts this construction evaluation resolution pursuant to Iowa Code section 455B.200E.

With no other business at hand, motion was made by Supervisor Carlson, second by Supervisor Carmichael to adjourn their regular session to attend a 28E Agreement with Mills County Board of Supervisors on the CPC, Mental Health Coordinator, Sara Ketcham, then on to a SWIPCO meeting in Atlantic, Iowa. No discussion. Motion carried.

ATTEST: Connie Magnuson
CONNIE MAGNUSON, AUDITOR/CLERK TO THE BOARD

THURSDAY, MARCH 6, 2003

Stoldorf present at 9:05 A.M..

At 9:05 A.M. the Board met with Axel Larson concerning taxes on a trailer house parked on his land. The board advised Larson to go to the board of review. No action.

At 9:10 A.M. the board reviewed the county budget conversion converting FY03 to revise the chart of accounts. Motion by Supervisor Carlson, second by Supervisor Carmichael to approve the County budget conversion converting the FY 03 County Budget to the Revised Chart of Accounts. Motion carried.

At 9:20 A.M. the board discussed County Government Day. Motion by Supervisor Carmichael, second by Supervisor Carlson, second by Supervisor to appoint County Government Day on April 10, 2003 at 10:00 A.M. in the Courtroom of the Courthouse. Chairman Benskin asked Steve Enga of the Red Oak Express if they would make publication for the board in recognition of this celebration. Enga reported he could not make that decision. Motion carried.

At 9:30 A.M. the board met with Engineer Rasmussen who discussed routine business. No action.

Alan Kirshen was present and asked for a strategy meeting on the Union negotiations. The board will meet with Kirshen at 12:45 in the basement of the courthouse after they adjourn their regular session.

At 9:50 motion was made by Supervisor Carmichael, second by Supervisor Stoldorf to approve the payroll to be paid on Friday, March 7, 20-03 in the amount of \$104,116.06. No discussion. Motion carried.

Treasurer Walker presented the Statement of Account by Fund showing the General Basic Fund at \$361,233.37; General Supplemental Fund at \$33,955.55; Rural Services Basic at \$65,466.59; Rural Services Supplemental Fund at \$7,691.07. No discussion.

At 10:10 A.M. Motion was made by Supervisor Carlson, second by Supervisor Carmichael to approve a merit increase for Sandra McKeever, clerical at child support recovery from \$10.23 per hour to \$10.54 per hour effective March 3, 2003. Motion carried.

At 10:20 A.M. the board reviewed handling agendas, time of cutoff and telephone number for contact to be placed on the agendas. The agenda will be placed in the board room for sign-up. Contact person is Dale Carlson. At 12:00 P.M., Tuesdays the agenda will posted and sent to the media.

At 10:40 A.M. the board discussed the Mental Health Bills for CPC Sara Ketcham's expenses for phone, fax, meals, mileage, lodging. Supervisor Carlson and Supervisor Carmichael explained they had talked with the three supervisors from Mills County yesterday, and they would be willing to submit documentation to assist billing. No other discussion.

At 11:30 A.M. the board met with JoAnn Good who presented a resignation of Jan Garner, part-time clerk in the Recorder's Office and announced hiring of Jessica Karney to start March 10, 2003 at \$8.00 per hour. Motion by Supervisor Carmichael, second by Supervisor Carlson to approve the resignation of Jan Gardner as Motion by Supervisor Carmichael, second by Supervisor Carlson to approve hiring of Jesseca R. Karney at \$8.00 per hour as a part-time clerk effective March 10, 2003. No discussion. Motion carried.

The Recorder announced she will be closing her office during the ISAC meetings in March, 2003 during the lunch hour.

In other business the board discussed attending the ISAC meetings in Des Moines on March 19-21, 2003. Supervisor Carmichael was the only member going.

Chairman Benskin discussed a vacancy with the board. Auditor Magnuson discussed the procedure if a vacancy is determined.

The board discussed Union negotiations/procedures.

The board discussed National Government Week, and determined who they wanted to invite to the County coffee in recognition of National Government Week.

With no other business at hand, at 12:05 P.M., motion was made by Supervisor Carlson, second by Supervisor Carmichael to adjourn their regular session for the day. Motion carried.

Glen Benskin

MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN

Connie Magnuson

ATTEST: CONNIE MAGNUSON, AUDITOR/CLERK TO THE BOARD

MONTGOMERY COUNTY BOARD OF SUPERVISORS

MINUTES

THURSDAY, MARCH 13, 2003

At 9:00 A.M. Chairman Benskin called the regular session to order. Roll call. Supervisor Carmichael, present. Supervisor Vannausdile, absent. Supervisor Carlson, present. Supervisor Stoldorf, present.

Motion by Supervisor Carmichael to approve the agenda of the day. Supervisor Stoldorf said there were many items not on the agenda that needed to be on the agenda that were not there. Supervisor Carlson said agenda items cannot be on the agenda through the telephone. That the agenda is in the board room to sign up whatever you want to discuss in the board room.

April 3rd Chairman Benskin announced he had invited Bill Drey to give a schooling to the board of supervisors in the board room on parliamentary procedure and agendas.

City Administrator Brad Wright was present to discuss an ordinance with the Landfill. The DNR needs this ordinance April 1, 2003. Who is the representative of the Landfill commission for the board of supervisors? Supervisor Carmichael said he is the Vice Chair.

Supervisor Stoldorf told the Chairman the county attorney is here and to discuss the agenda. Can we take the agenda items over the phone? Swanson. Yes, you can do it two ways. On the phone and in person. Swanson suggested to get it on the agenda to discuss the preparation of the agenda. Supervisor Carlson said items need to be on the agenda as of noon Tuesdays. County Attorney Bruce Swanson said he would be happy to give a schooling of the preparation of the agenda.

At 9:11 A.M. the board met with Department Heads. County Attorney Bruce Swanson; Engineer Rasmussen; Recorder Good; General Relief Director Sonia Jackson; Kathy Powers, Environmental Specialist; Damian Bond, Weed Commissioner; Dale Watt, Veterans Affairs Director, present.

County Attorney Bruce Swanson: Thinks cell phone policy should be up to the department heads. A written policy is not needed. He had many calls from other departments.

Engineer Rasmussen: Pouring deck on bridge at Stanton; Morton mills bridge project in process; continuing with development of federal moneys for county bridges.

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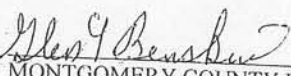
At 9:00 A.M. Chairman Benskin called the regular session to order. Roll call. Supervisor Carmichael, present. Supervisor Vannausdle, present. Supervisor Carlson, present. Supervisor Stoldorf, present.

Auditor Magneson reviewed with the board the starting process of budgets as submitted; beginning and ending fund balances.


At 12:00 P.M. the board recessed for lunch.

At 1:00 P.M., the board reconvened back in board chambers. Motion by Supervisor Carmichael, second by Supervisor Carlson to adjourn their special session for the day due to inclement weather.

Motion carried.



MONTGOMERY COUNTY BOARD OF SUPERVISORS
GLEN BENSKIN, CHAIRMAN



ATTEST CONNIE MAGNESON, AUDITOR/CLERK TO THE BOARD

MONTGOMERY COUNTY BOARD OF SUPERVISORS

SPECIAL MEETING

TUESDAY, FEBRUARY 4, 2003

At 9:00 A.M. Chairman Benskin called the regular session to order. Roll call. Supervisor Carmichael, present. Supervisor Vannausdle, present. Supervisor Carlson, present. Supervisor Stoldorf, present.

Motion by Supervisor Carmichael, second by Supervisor Vannausdle, to approve the agenda of the day. No discussion. Motion carried.

The board discussed Resolution #5 to authorize implementation of Iowa Code Chapter 74. The board had been briefed by Auditor Magneson and Treasurer Walker on Thursday, January 31, 2003 the General Supplemental Fund in low and may exceed amounts appropriated by the Board for operating of funds. Liability may incur, and appropriate corrective action needs to be done. The board asked Auditor Magneson to type a Resolution to Authorize corrective methods. Auditor Magneson presented the Resolution which simply authorizes the Auditor to make corrective action. Auditor Magneson said she would not write checks on unauthorized balances and the Treasurer would not cash them. Stoldorf had a problem with the resolution. Magneson explained no money is transferred from another fund until the board approves said transfer.

Rasmussen requested the resolution be more specific ---not coming from any funds. His transfers are not coming in since Feb. 02 from rural. He will have a serious shortfall. have projections been done?

Carmichael talking about Local Option Tax passed in 1996. Assistant Miller told him 1996. was for various local cities. 1999 passed for county with specific purposes.

Stoldorf thought that resolution was not labeled correctly as chapter 74, thought should be labeled 431.432 (about permanent transfers).